HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL—Not for Publication

INDEX TO ISSUE OF JULY 2, 1935

No. 839

July 2, 1935.

PEAK REGISTRATION FOR COLORADO N.A.B. CONVENTION

More than 250 delegates will attend the convention of the National Association of Broadcasters at Colorado Springs, July 7. This means that including others connected with the industry, the wives and so on, the attendance may approach 500 - a new record high. Chairman E. M. Spence, of WBAL, reports reservations at the Broadmoor Hotel exhausted and that the overflow will be taken care of at the Antlers.

Mr. Spence said that in view of the great importance of a thorough discussion of the copyright situation, a better understanding of what may or may not be broadcast in the matter of commercial advertising, and other paramount questions, that some of the set features may be cancelled. Insofar as the advertising is concerned, Chairman Anning S. Prall, of the Federal Communications Commission, who has ordered an advertising housecleaning, will deliver the keynote address.

Those to be heard from in the copyright discussion will be Isaac D. Levy, of WCAU, Philadelphia; Philip Loucks, retiring Managing Director of the Association; and Joseph E. Hostetler, NAB Copyright Counsel.

It seems to be a foregone conclusion that James W. Baldwin, formerly Code officer of the Broadcasting Industry, will succeed Mr. Loucks as Managing Director.

Andrew Cruse of the Department of Commerce, who has been abroad studying the television situation, if he returns in time, will speak.

The following invitation has been extended to the delegates by Donald Flamm, of WMCA, New York:

"As a national director of the Jewish Consumptive Relief Society, I want to extend an invitation to all members of the NAB to be my guests on a pilgrimage to the Home of this well-known institution at Denver on Sunday afternoon, July 7.

"Automobiles will call for all NAB delegates who wish to make this trip if they will advise me at the Broadmoor Hotel on Sunday morning at 10 A.M.

"The drive to the Home will take about two hours and dinner will be served there after the tour of inspection."

July 3, 1956.

FREAK REGISTRATION FOR COLORADO U.A.R. CONVENTION

More than 250 delegates will attend the convention of the National Association of Broadcasters at Colorado Springs, July 7. This means that hobnobbing between newspaper with the industry, the wives and so on, the attendance may approach 300 - a new record high. Chairman L.H. Spence, of KVOD, reports preservations at the Broadmoor Hotel are encouraging and that the overflow will be taken care of at the Antlers.

Mr. Spence said that in view of the great importance of a thorough discussion of the copyright situation, a better understanding of what TV can and not be broadcast in the matter of commercial advertising, and other pertinent questions, that some of the set features may be cancelled. Whether or the advertising is concerned, Chairman Anning S. Prall of the Federal Communications Commission, who has operated an advertising business, will deliver the keynote address.

Those to be heard from in the copyright discussion will be Isaac D. Levy, of WCAU, Philadelphia; Philip Lucke, Acting Managing Director of the Association; and Joseph F. Rosenfield, NAB Copyright Counsel.

It seems to be a foregone conclusion that James W. Baldwin, formerly code attorney for the Broadcasting Industry, will succeed Mr. Lucke as Managing Director.

Andrew Stone of the Department of Commerce, who has been abroad studying the television situation, if he returns in time, will speak.

The following letter was received from Washington to the delegates by Donald Flamm, of WMCA, New York:

"As a National director of the Jewish Vocational Relief Society, I want to extend an invitation to all members of the NAB to attend a cocktail party on Saturday afternoon, July 7, at the home of this well-known benefaction at Denver on Sunday afternoon, July 7.

"Automobiles will be in for all NAB delegates who wish to make this trip. Buses will leave the Broadmoor Hotel on Sunday morning at 10 A.M.

"The drive to the ranch will take about two hours and dinner will be served there after the tour of inspection."

- 2 -

If present plans prevail, a permanent organization of the smaller radio station owners, those of 100 watts or thereabouts will be formed. The organization committee is headed by Edward A. Allen, of WLVA, Lynchburg, Va. These broadcasters claim to represent one-third of the NAB membership but, say, out of a Board of Directors of 15, only two or three of their members have been chosen. They want a larger representation.

A nucleus group of newspaper-owned radio station managers have issued a call for a separate session of the National Association of Broadcasters at the convention. They propose that managers of newspaper-owned stations meet Monday evening, July 8, to discuss the particular problems arising from joint operation of a newspaper and a station.

Lambdin Kay, Vice-President of the N.A.B., and General Manager of the Atlanta Journal's station WSB, denied that the meeting will mark the organization of a separate unit.

Slated for discussion are these topics: newscasting; combination radio and newspaper advertising rates; aerial promotion of editorial features, advertising copy and circulation; legislation affecting newspaper owned stations; commercial copy standards; and an annual prize for distinguished public service over the radio.

X X X X X X X X

TRADE COMMISSION HITS DECEPTIVE RADIO SET ADVERTISING

The Federal Trade Commission has entered into a stipulation with William E. Harrison, of New York City, trading as Harrison Radio Company, in which the latter agrees to cease and desist from advertising that he will refund money paid by dissatisfied purchasers of radio sets, without at the same time disclosing the fact that a deduction will be made for the cost of reconditioning returned merchandise.

Harrison is said to have sold short-wave radio sets and equipment, advertising that dissatisfied purchasers could return the merchandise within five days and receive a refund of their money, but to have failed to make known that it was his practice to deduct ten per cent from the amounts refunded for the cost of reconditioning the returned merchandise.

X X X X X X X X

GARY APPEARS FAVORED AS FCC COUNSEL

Hampson Gary, former member of the Communications Commission, and Frank Roberson, the latter temporarily acting as the successor to Paul D. P. Spearman, General Counsel of the Federal Communications Commission, just resigned, are among those most strongly mentioned to succeed Mr. Spearman. At the present writing, the odds seem to be in favor of former Commissioner Gary. A successor to Mr. Spearman is expected to be named by the Commission at an early date.

Those who contend that Hampson Gary will be named base it largely on the fact that when Gary stepped out, before the completion of his term, to make way for Anning S. Prall, the present Chairman of the Commission, that President Roosevelt said at that time that he wanted Gary back on the Commission. This is the first major vacancy and would seem to be the opportunity for the President to do something for Gary inasmuch as the salary is practically the same as that of a Commissioner, his friends argue. The General Counsel receives $9,000 a year and a Commissioner gets $10,000.

Mr. Roberson, who has been serving in the capacity of Assistant General Counsel at the Commission, was formerly Attorney General of Mississippi, but resigned in 1923 to go to New York as Assistant General Counsel of the National Board of Fire Underwriters, and was there up to the time of his coming to Washington recently. While Attorney General of Mississippi, Mr. Roberson waged a fight against the telephone company and secured a substantial reduction in the rates. He is 53 years old and up to the time that Mr. Gary's name was mentioned, with such apparent substantial support of the President, Mr. Roberson was said to have the backing of Senator Wagner, of New York, and of at least four of the seven members of the Commission.

X X X X X X X X

TWO YEARS MORE U.S. TAX ON RADIO SETS

Without increase in present rates, Federal excise taxes including the 5 per cent radio, 2 per cent automotive, and 5 per cent tax on electrical refrigerators will be continued for another two years, Bond Geddes, Executive Vice-President of the Radio Manufacturers' Association, reports. All were due to expire on June 30 but now are continued until June 30, 1937. Since the 5 per cent radio tax became effective, June 20, 1932, radio manufacturers have paid, up to May 30, 1935, total excise taxes of $8,788,559.71.

Expectations of the Treasury Department of continued good business for the radio industry, also sales of mechanical refrigerators and, in fact, of most business subject to the excise taxes were disclosed in the congressional proceedings. Citing revenue of $3,150,000 secured from the radio tax during the fiscal year ending June 30, 1934, the Treasury estimated receipts of $3,583,000 from radio taxes for the fiscal year ending June 30 next, and $3,700,000 from radio excise taxes for the fiscal year ending June 30, 1936.

U. S. Treasury collections of the 5 per cent excise taxes from radio and phonograph manufacturers during May 1935 were $291,536.71, as compared with $234,010.60 during May 1934.

X X X X X X X X

WLWL-WWL CATHOLIC HEARING GOES OVER TO FALL

After two days' session last week, the hearing in the case of the Paulist Fathers' station, WLWL, in New York, seeking unlimited time on 810 kilocycles, which would involve moving of WWL, Loyola University, New Orleans, operated by the Jesuit Fathers, moving to 810 kc. and operating simultaneously with WLWL, has been adjourned until October 24th. Some six or seven other important stations are likewise involved in this case and at the rate it began, there was evidence that it might go along half the Summer.

At any rate, George O. Sutton, counsel for Father J. B. Harney, of WLWL, feeling that it was impossible to present his side of the case before the 4th of July adjournment, and because of other adjournments likely to occur, due to the vacation season and so on, declined to continue.

Because of the known unwillingness of WWL, at New Orleans, to change its present frequency in order to accommodate Station WLWL, of New York, numerous reports were in circulation regarding the seriousness and degree of differences between the two Catholic stations. One rumor was that the case had probably gone over because those involved realize that the two stations could never be reconciled to the present proposed solution even if the other stations concerned in the moving were agreeable. According to this source of information, there has arisen quite a controversy with the Jesuit Fathers backing up their radio station on the one hand, and the Paulist Fathers fighting for theirs on the other.

X X X X X X X

NEWSPAPER TRANSMITS PICTURES OVER TELEPHONE SOUND BEAM

The first practical demonstration of a journalistic adaptation of photo transmission over a telephone sound beam was made last week when the New York Mirror published two pictures sent from Albany to New York City by the new process, Editor & Publisher reports.

The equipment, developed by Walter Howey, director of International News Photos and newly appointed editor of the Mirror, can be used to transmit a picture from any point where a telephone connection can be made. When the International laboratories have turned out sufficient machines so that they can come into general use by the Hearst enterprises, the transmitter will be the size of a large suitcase and weigh little over 50 pounds.

Simple in construction, both transmitter and receiver will be produced for a few hundred dollars and will be actuated by ordinary 120-volt A.C. current, Mr. Howey said. Carried to the spot where a story is breaking, the machine needs only to be plugged into a light socket, a telephone connection to the home office secured and within 12 to 14 minutes an 8 x 10 photo can be transmitted. Mr. Howey, who has been working diligently in this field for 35 years, hopes to cut that time in half when greater experience has been attained.

X X X X X X X X

PRALL'S BRAWL PROVES QUITE A SUCCESS

The party to celebrate the reappointment of Anning S. Prall as Chairman of the Federal Communications Commission, arranged by Martin Codel and Sol Taishoff, was apparently enjoyed by all present. Everyone connected with radio in Washington seemed to be there. Features of the evening were several Gridiron skits, including a supposed meeting of the Broadcast Division of the Commission in which John Littlepage took the part of Judge Sykes, Phil Loucks, Commissioner Prall; and Martin Codel, Commissioner Case. Paul Segal impersonated Paul Spearman as General Counsel.

There was considerable razzing of Chairman Prall on account of recent advertising restrictions and John Littlepage, accompanied by his brother Tom on the piano, got a real laugh by singing a song "Marmola" to the tune of "Marcheta".

If the story Chairman Prall told about Father Harney and President Roosevelt is original with Mr. Prall, it is liable to make him famous as a humorous for unquestionably it provoked more mirth than any one other thing during the evening. Marvin H. McIntyre,

X X X X X X X

IT TAKES MORE THAN FIRE TO STOP PHILCO

Not even fire stops Philco. There has been no interruption to Philco production - rumors to the contrary notwithstanding - despite the fire last week on one floor of Plant #6 at Allegheny Avenue and C Street, Philadelphia, a separate building devoted to the manufacture of parts.

Already the debris has been cleared away and stout timbers have been swung into place for the fourth floor. In fact, employees are working on production on the lower floors of the building as the machinery there was quickly protected by waterproof covering even before the Philadelphia Fire Department had the fire under control.

The 150 workers effected are being quickly absorbed by other departments, and the 8500 employees in the Philco plants in Philadelphia are busily engaged in meeting a record-breaking demand for Philco home and auto radios, aerials, and parts.

Larry E. Gubb, President of the Philco Radio & Television Corporation, after carefully surveying the situation, stated:

"Despite the fact that the fire occurred just when Philco plants are bending every effort to fill the largest orders in history, there will be no delay in the shipment of our 1936 Philco models and no interruption in Philco's record of continuous employment of the largest organization of skilled radio workers in the country."

X X X X X X X X

STANDARD TIME THROUGHOUT THE WORLD

The rapid development of modern means of national and international communication has brought about a greater realization of the difference in time between different geographic centers. To answer the many demands for information on standard time, the Bureau several years ago published a pamphlet entitled, "Standard Time Throughout the World", the latest revision of which has just been issued under the designation Circular C406, This circular gives a brief historical sketch of the development of the standard time system, time-zone maps of the United States and of the world, a list of stations transmitting radio time signals, a list of the times used in several large cities, a list of the legal times used in most of the countries of the world, and other information regarding standard time.

Copies of this publication are obtainable from the Superintendent of Documents, Government Printing Office, Washington, D.C. at 5 cents each.

X X X X X X X X

SUGGESTS WE SIGN OFF WITH U. S. ANTHEM

That we adopt the custom of other nations who sign off with their national anthems and that we play the "Star Spangled Banner" at the conclusion of our international broadcasts is the suggestion made by Representative Virginia E. Jencks, of Indiana, to Anning S. Prall, Chairman of the Federal Communications Commission.

"A big thrill which one gets, listening to short-wave radio broadcasts, is hearing the various countries conclude with their nationsl anthems", Mrs. Jenckes said in a letter to Chairman Prall.

"It is most impressive, for instance, at the end of a broadcast from Great Britain to hear the majestic rendition of 'God Save the King'. The British broadcasting stations are so punctilious about this and so particular that the national anthem is heard after every program that recently even on the experimental broadcasts which England engaged in with Western Canada, Station GSL, London, at four o'clock in the morning, concluded just the same with 'God Save the King'.

"Likewise the 'Marseillaise' thunders through from Paris, and the German National anthem from Berlin.

"My object in turning to you is to ask that you suggest, if they are not already doing it, to our own American short-wave stations that in broadcasting international programs they sign off with 'The Star Spangled Banner'. This would include the Westinghouse, the General Electric, the National Broadcasting Company, the Columbia Broadcasting System, the Crosley stations and possibly others.

"I understand, of course, that these short-wave stations are privately owned, whereas those abroad are operated by the governments. Nevertheless, I feel certain that the operators of our stations, being patriotic Americans, would readily respond to the suggestion.

"It is a regrettable fact that 'The Star Spangled Banner' is seldom heard even over our own domestic networks during the evening hours when everyone is listening. When radio broadcasting first came into our homes we joyously heard the National Anthem opening and closing the program.

"Is it not rare today - except, possibly, by the service bands of the Army, Navy, or Marine Corps - to hear our National Anthem over the radio?

"I think, nevertheless, that it is even more important to 'show our colors' on foreign broadcasts. Knowing your own patriotism, I feel confident you will acquiesce in the suggestion herein made."

X X X X X X X X

A.P. ANSWERS IN TRANSRADIO CASE

Answers filed last week in the United States District Court for the Southern District of New York by the American Newspaper Publishers' Association and the Associated Press denied that the Press-Radio Agreement constituted a conspiracy in restraint of trade and denied that Transradio, the plaintiff was entitled to any damages.

Commenting upon the radio-news situation Newsdom, of New York, says, editorially:

"The press-radio dispute is still up in the air. Charges and counter-charges are being hurled. At times it appears that the disputants are willing to discuss a workable agreement in the matter of broadcasting news only to shrink like the proverbial violet when any possibility of an agreement looms in sight.

"Few will admit that the Press-Radio Bureau solves the problem. It is so much sawdust thrown in the hole in the dike until a more practical measure is agreed upon. Meanwhile independent radio press services and press news gathering associations are entrenched like soldiers in modern warfare. Neither side will give in, and the war becomes one a fight to the finish.

"But all is not tear gas, howitzers and barbed wire. The Philadelphia Daily News and the Philadelphia Record have just signed an agreement with WFIL whereby the radio station will exchange spot announcements in its news broadcasts for advertising in those dailies. In this manner listeners are given a news bulletin and are informed that further details and complete information may be obtained in the current edition of the Record or the News.

"This may be a decided advance toward reconciliation between the newspapers and the radio. At least it is sounder in principle than a war to the death between the two principal mediums of news dissemination."

X X X X X X X X

RATES OF PAY FOR GOVERNMENT COMMUNICATION BY TELEGRAPH

General Order No. 15, comprising 15 mimeographed double spaced pages, has just been issued by the Telegraph Division of the Federal Communications Commission and sets forth the rates of pay for Government communication by telegraph as ordered at a special meeting of that division on June 27th.

X X X X X X X X X X

NEW TUBE LINE DEVELOPED BY ARCTURUS

The Arcturus Radio Tube Company, Newark, N. J., has developed and marketed a new line of tubes, designated as the "G" series, which is claimed to be identical in electrical characteristics and pin connections to the all-metal tubes.

"It is stated that several of the larger set manufacturers and many smaller ones have already developed circuits employing these new "G" tubes. Early announcement of some of these radio receivers is expected", a press release from Arcturus sets forth.

"Carrying the same type numbers as do the all-metal tubes, the letter "G" is suffixed to denote the glass envelope type. The "G" line follows conventional tube manufacturing processes which have been perfected and overcomes the difficulties invariably associated with not only new designs, but also with a totally new development. The "G" line is as perfect as radio tubes can be made today and enable set manufacturers to design immediately an all-metal tube set without further waiting upon the limited production of all-metal tubes."

X X X X X X X X

CANADIAN RMA ORGANIZES LIKE OURS

Canadian radio manufacturers at their annual meeting May 30 in Toronto reorganized their trade association and followed substantial features of the American RMA. President A. S. Edgar was reelected to head the Canadian RMA and R. A. Hackbusch was reelected Director of Engineering. The RMA division organization was followed by the Canadian manufacturers. Their new organization comprises a Set Division and a Parts, Cabinet and Accessory Division, like that of the American association. Canadian importers, however, are eligible to membership of the latter division and the Canadian dues are on a higher basis than those of RMA.

The RMA is advised, through cooperation with the Canadian RMA, that Canadian sales of receiving sets for the month ending April 30, 1935, totaled 8,877 with a list value of $762,411. Of these 5,643 sets, valued at $532,506 were A.C. sets; 1,224, valued at $105,312 were battery sets; and 2,010 automobile sets, valued at $124,593, a decrease in A.C. sets as compared with the previous month and a considerable increase in sales of battery and automotive sets.

X X X X X X X X

INDUSTRY NOTES

In a summary of corporation news prepared by Standard Statistics Company, of New York, and syndicated to newspapers throughout the United States, the Zenith Radio Corporation of Chicago has started production of new models with initial orders of $1,200,000 on hand.

W.G.H. Finch, Assistant Chief Engineer, Federal Communications Commission, is smiling broader since the birth of a 7-pound daughter.

Alfred Wallenstein, a member of the Board of Directors and first cellist of the Philharmonic-Symphony of New York, and known as conductor of the Wallenstein Sinfonietta, has been appointed General Musical Director of WOR. Wallenstein will succeed George Shackley, pioneer WOR musical director.

X X X X X X X X X X

THREE NEW ALL-WAVE ANTENNA SYSTEMS

The results of several years of laboratory and field tests with countless all-wave sets, using hundreds of different arrangements and combinations of aerials, downleads and coupling devices, are said to be condensed in three new antenna systems just announced by Technical Appliance Corporation, 27-26 Jackson Avenue, Long Island City, N. Y. For the convenience of the user as well as for utmost efficiency of the installation, these systems come in kit form, complete with all accessories and fully wired and soldered at the factory, ready to be strung up.

"The V Triple Doublet (Taco No. 70), the Double Doublet (Taco No. 80) and the Single Doublet (Taco No. 90) are the ultimate refinements of the well-known Taco H-F all-wave antenna-system which revolutionized the antenna art last year", a statement from the Technical Appliance Corporation, reads. "These systems incorporate the latest developments in noise reduction through proper design and matching of antenna and set transformers, combined with a special twisted-pair transmission line. All set transformers are fully automatic, requiring no manual switching for different frequency bands. The antenna transformers obtain maximum noise reduction without resorting to an external ground or counterpoise on the roof. The improved

efficiency is particularly noticeable on the difficult short-wave bands. Greater signal strength permits receiver operation well below r.f. and detector limits, thereby making for higher fidelity reception.

"The components of these kits, used in connection with a multiple-position double-throw switch, are ideal for the store demonstration antenna system so necessary for the sale of the all-wave radio sets of today."

X X X X X X X X

APPLICATIONS GRANTED BY FCC BROADCAST DIVISION

WAZL, Hazleton Broadcasting Service, Inc., Hazleton, Pa., extension of special temporary authority to operate daily a maximum of 4 hours simultaneously during daytime with WILM, Wilmington, Del., for a period of 3 months from July 1; WPG, WPG Broadcasting Corp., Atlantic City, N. J., consent to voluntary assignment of license to the City of Atlantic City; WBZ, Westinghouse E & M Co., Boston, Mass., C.P. to make changes in equipment; KLZ, Reynolds Radio Co., Ltd., Denver, Colo., modification of CP to change transmitter site to new location to be determined subject to approval of the Commission, increase day power from 2½ to 5 KW, extend commencement date to 60 days after grant and completion date to 180 days thereafter; KSD, The Pulitzer Publishing Co., St. Louis, Mo., Mod. of CP to extend completion date from July 7 to 90 days thereafter; KOMO, Fisher's Blend Station, Inc., Seattle, Wash., amended CP to move transmitter locally, install new equipment and increase day power from 1 to 5 KW.

Also, WOR, Bamberger Broadcasting Service, Inc., Newark, N.J., license to cover CP authorizing move from Kearny, N.J. to Carteret, N.J., installing new equipment and increasing power to 50 KW; KINY, d/b as Northwestern Radio Advertising Co., Juneau, Alaska, license to cover CP authorizing erection of new station; 1310 kc., 100 watts, unlimited time; WCAD, St. Lawrence University, Canton, N. Y., Mod. of Lic. for increase of specified hours of operation; WREN, WREN Broadcasting Co., Lawrence, Kans., Mod. of CP to make changes in eqpt. and increase in daytime power to 5 KW; WJR, WJR, The Goodwill Station, Detroit, Mich., C.P. to make changes in eqpt. and increase power to 50 KW; WADC, Allen T. Simmons, Tallmadge, Ohio, Auth. to determine operating power by direct measurement of antenna input.

X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL—Not for Publication

INDEX TO ISSUE OF JULY 5, 1935

No. 840

U. S. OBSERVER UNENTHUSIASTIC OVER EUROPEAN TELEVISION

Reporting to the convention of the National Association of Broadcasters at Colorado Springs, on what he saw in Europe while investigating the progress of television, Andrew W. Cruse, of the Bureau of Foreign and Domestic Commerce, Washington, told our own people that he believed they were on the right track but in continuing their present line should closely watch what England, France and Germany are doing.

"I think you would be wise to appoint a committee here, at this Convention, whose duty it would be to keep you advised of these developments. I might even go so far as to suggest the employment of an observer in Europe as an assistant to such a Television Committee", Mr. Cruse advised. "One comforting thought is that American interests in Europe are in the very forefront of the entire European Television picture. Electrical Musical Industries in England, Lorenz in Germany and Standard in France can be relied upon to keep pace technically with the best of them. But in operating practice - the actual presentation of programs - that's where we must keep abreast of their progress - and that's what you must observe.

"In Europe, the governments are directly or indirectly supporting and operating broadcasting and television - in the United States it is my own personal belief that the interests of both broadcasting and television can best be served without government assistance. With recovery and when you feel that the time is ripe for it - you will undoubtedly be able to add television to your present service and present television programs in the same thorough fashion in which you are now presenting your broadcasts. In the meantime let us be patient observers!"

Mr. Cruse said, in part:

"In England, the British Broadcasting Corporation are now offering low definition television programs lasting from ½ to ¾ of an hour twice each week. These programs are transmitted on a wavelength of 261 meters with the accompanying sound on 398 meters using two broadcast transmitters, one for the picture and the other for the accompanying sound. The Baird system employing mechanical scanning giving a 30 line picture 12 frames per second is used for this purpose. In this connection I wish to say that I think the BBC is doing an excellent job on these programs and I was pleasantly surprised to discover that despite the low definition and objectionable flicker, these programs do have an entertainment value for short periods - let us say of the order of a half-hour. Live talent is used exclusively on these programs and everything from a condensed version of 'Carmen' to vaudeville acts is offered.

"When I inquired about the number of television receiving sets in service in the British Isles I received estimates which ranged from zero to 10,000. The British Post Office people, however, who are in the best position to make an estimate, gave the figure of less than one hundred. Please bear in mind that these B.B.C. low-definition programs which are offered twice weekly and received by a maximum of one hundred receiving sets comprise the only public television service now being offered in Great Britain. Both the Baird Company and Electrical and Musical Industries (EMI) are transmitting experimental high definition television but inasmuch as no high definition receiving sets can now be purchased, these transmission can in no way be considered as a public service."

"The chances are that late this winter or early next spring high definition television service will be inaugurated by B.B.C. using alternately the EMI 405 line 50 frame interlaced and the Baird 240 line 25 frame sequential transmitters. It is now proposed to operate one hour each morning and two hours each evening using 6.6 meters for vision and 7.2 meters for the associated sound signals. High definition television receiving sets capable of receiving programs sent by either transmitter, i.e., Baird 240 or EMI 405, are expected to make an appearance about the time the bids for the transmitters are actually accepted - which will probably be some time this fall. It is anticipated that their minimum price will be the equivalent of $250. I honestly believe that the British public want television although I would hesitate to say that they are insisting on it! Some over-enthusiastic writers have given the impression that the receiving sets will be sold for approximately $100 and I strongly suspect that when the public discover that sets will cost more than twice that figure - whatever enthusiasm they may now have for the new television programs will be lost to a considerable extent.

"The British Radio Manufacturers' Association have consistently refused to have anything whatever to do with television on the grounds that the attendant publicity has already reduced their sale of radio receiving sets materially. However, my conversations with several of the larger manufacturers gave me the impression that the total sale of these sets for 1935 will be fully up to the 1934 figures - in spite of television. As a matter of fact I understand that the RMA is now considering the idea of allowing manufacturers to actually show television receiving sets at their August Radio Show.

"The British Post Office are firm in their belief that a television Patent Pool is essential and preliminary negotiations are now being carried on by the principal patent holders."

"The ultimate plans of the British Post Office call for the erection of twelve transmitters to cover the principal population centers of Great Britain and it is confidently predicted that 4 or 5 of these will be in service by the end of 1937. The confidence of the prospective manufacturers of television receivers is reflected in their prediction that 50,000 of those sets will be in

service by the end of 1936 and from five to ten times that many more by the end of 1937.

"One thing which impressed me greatly was that in all of these rather optimistic plans for the future of British television, the ability of the B.B.C. to provide interesting programs seems to be taken for granted. To my mind the whole success or failure of the project hinges on this point. One engineer estimates that if all of the motion pictures produced in England and all of the films imported by them from other countries were to be presented to the television audience, they would still only have enough material from that source to provide a program ten minutes per day. That, according to their present schedule, would still leave 170 minutes each day where live talent would have to be used! To be sure, the studio technique which B.B.C. has developed in their presentation of their low definition programs will certainly stand them in good stead but at the same time I could not blame them if they viewed with alarm the task of having to provide material for 21 hours per week as against their present maximum of 3 hours."

"From London I went to Berlin where they are giving 180 line 25 frame sequentially scanned transmissions from a 7 meter transmitter in Berlin. The Broadcasting Company of the Ministry of Propaganda provides a two-hour program three nights a week and the Post Office supplies programs in the mornings and afternoons and on alternate evenings. Several places are provided in Berlin where the public may view these programs and they are proving most popular. Inasmuch as practically all the program material is provided by films, repetition is not infrequent and occasionally an old film leaves much to be desired. Generally speaking, however, the quality of these transmission is excellent and impresses one with the high entertainment value which can be secured with a 180 line picture."

"A patent pool is being formed and negotiations in this direction are proceeding very smoothly indeed. While natural competition exists between the various German radio manufacturers they seem to be able to get together in the solution of their mutual problems in a very commendable fashion. It is anticipated that television receivers which will be adaptable to the 270 line standard will sell for from $240 to $500."

"The Broadcasting Company have a very interesting piece of equipment which they call their television truck and which they use to cover news events. This truck, which was first used at the May Day ceremony at the Templehof Aerodrome at which Chancellor Hitler spoke, consists of a low powered ultra short wave transmitter for both sound and television using the intermediate film method."

"Television is moving ahead in Germany on what certainly appears to be a most thorough basis and the cost is being carried by the license fees plus an additional governmental appropriation.

"In France, the Ministry of Posts and Telegraphs is extremely interested in having their country match the television developments in England and Germany and are doing everything in their power to speed up this work realizing that they are behind those two countries in this respect. They have started experimental 60 line 25 frame transmissions on 175 meters but no regular schedule is maintained. The French hope to be able to go to 90 lines and then to 180 lines as quickly as practicable but I seriously doubt if much progress in this direction will be made before 1936."

X X X X X X X X X X

TALK REVIVED OF JUDGE SYKES GOING ON BENCH

The death of Associate Justice William Hitz of the District Court of Appeals, has revived the talk of the possibility of Judge E. O. Sykes, of the Federal Communications Commission, being appointed to that position. It is known that Judge Sykes would welcome a judicial position and if President Roosevelt were inclined to appoint him the District Court would seem to be the logical position. All radio cases are appealed to this Court and Judge Sykes being the only surviving member of the original Radio Commission and having passed on all radio cases during that time, would appear to be well qualified for the work.

If Judge Sykes were appointed to succeed Judge Hitz, President Roosevelt, after objections raised by Senator Wheeler, of Montana, because there are no Western men on the FCC, would unquestionably consider appointing someone from the West.

X X X X X X X X

BOND IS A GRANDDAD!

Bond Geddes, Executive Vice-President of the Radio Manufacturers' Association, the newest member of the Ancient and Honorable Order of Grandfathers, was kept busy buying cigars at the National Association of Broadcasters' Convention at Colorado Springs, due to the fact that a daughter had been born to his son and daughter-in-law, Mr. and Mrs. Bruce Geddes, two days before Bond left Washington for the West.

X X X X X X X X

GARY AGAIN SEEMS HEADED TOWARDS COMMISSIONERSHIP

It would not be surprising if the appointment of Hampson Gary this week as General Counsel of the Federal Communications Commission did not eventually lead to his again being appointed a member of the Commission upon which he served for six months at its beginning. Mr. Gary resigned to make way for the appointment of former Representative Anning S. Prall whom the President desired to take care of at the request of Senator Wagner, of New York. When Mr. Gary stepped aside so gracefully, the President, who knows him so well that he calls him by his first name, expressed his appreciation and indicated that Gary himself would be well taken care of in the future.

It is probable that the next man appointed to the Commission will be from the West to appease Senator Wheeler, of Montana, but after tha, assuming President Roosevelt is reelected, it is believed that Gary's chances to again become a Commissioner are excellent, despite the fact that he hails from Texas, and that another Texan, Dr. Irvin Stewart, is already on the Commission.

Mr. Gary, who has a very attractive personality, and is probably one of the most popular men who has ever served on the Commission, is 62 years old and first came to public attention as a Colonel of the Third Infantry regiment of Texas in the Spanish-American War. He was standing master in chancery for the U.S. Court for two years and his decisions were rarely appealed. He was counsel in much important litigation, practicing in both the state and federal courts.

In 1914 he was made special counsel to the Department of State and later became a solicitor of same. After the entrance of the United States into the World War in 1917, President Wilson sent him as our envoy to Egypt. While serving at Cairo, he was in charge also of American interests in Palestine, Syria and Arabia, and was at the front beyond Jerusalem with Field-Marshal Lord Allenby for a while in the World War, and in 1919 was called to Paris for technical work with the American Commission to Negotiate Peace.

Switzerland was the next field of Mr. Gary's service, his years of training in the law and in the State Department, practical experience as our diplomatic representative at Cairo, and the added insight gained in questions of world wide significance at the Peace Conference caused the President to nominate him to be Envoy Extraordinary and Minister Plenipotentiary to that country. For several reasons the post was at that time one of the most important in the whole foreign field. The aftermath of war had brought to Berne and Geneva problems touching nearly every nation in the world. They raised difficult questions of international law and diplomacy. Mr. Gary was able to take care of every interest of the United States and received the high commendation of his Government.

X X X X X X X X

RADIO SHOULD BE PAUL REVERE OF ADVERTISING, PRALL SAYS

Radio should be the modern Paul Revere and be used to warn the public against the fake advertiser, Anning S. Prall, Chairman of the Federal Communications Commission, declared addressing the National Association of Broadcasters' Convention in Colorado.

"Particularly gratifying to us has been the leadership of the nation-wide networks. They have responded admirably, and we hope they will continue to lead the way in this sensible self-regulation movement. Otherwise", Chairman Prall warned, "there is strong possibility that Congress itself will step in and take a hand, and perhaps write into the law program restrictions with which stations will be forced to comply."

A large portion of his speech had to do with the advertising cleanup which he described as "a bit of New Deal injected into radio", and he concluded by saying:

"It is my hope that when you convene again, one year hence, you will report the broadcasting industry without an exception as having attained the goal of clean programming. Having accomplished that purpose, you should then take up for consideration and presentation to the Commission your claims for granting longer term licenses."

"There is now pending before the Commission a resolution introduced by Commissioner Brown to extend the broadcast license term to one year. I have not discussed this resolution with any of the Commissioners and cannot even venture an opinion of what action they may take when this matter comes before us for adoption. I know, hoever, that you are vitally interested in this phase of your business and I can see no good reason, when once the industry has established itself on a sound program basis, why the Commission should not give the proposal serious considerations."

Launching into the advertising situation, Mr. Prall said the industry "can rely upon the strong arm of the Commission to protect it against its unscrupulous brother within its own ranks who seems to disregard the idea that immediate profit must at times be subordinated to public service."

To him the speaker said "radio was (and still is) an ultra-modern combination of journalism, the theatre, the public rostrum and the school house."

Chairman Prall said "the wholesome cleaning up" has not been completed "for our records show that there are still some one hundred station citations pending involving programs. These are not confined to medical continuities. They include lotteries, astrology programs, and other seeming violations of broadcasting 'in the public interest.'"

"We do not have in mind the deletion of stations which can show that the programs complained of did not constitute the major part of their schedules, or which have since taken steps to clean up; but we will not condone gross and wilful infractions. Stations have been deleted in the past due to program shortcomings, and it may be that a few of the pending cases will necessitate this drastic action. I hope not.

"It can be said, also, that the Commission has not and does not intend to prohibit the advertising of any and all medical products over the air."

Figuratively shaking his finger at the advertiser, and his advertising agency, Mr. Prall warned "He should not attempt to foist upon stations and their listeners advertising copy that cannot be placed in newspapers and magazines. He should realize that while he may sell his goods effectively over the radio by going to high-powered extremes in his sales talks, he is at the same time creating ill-will among those who are informed. In the long run he will lose and perhaps the station will be found in the ruins."

Referring to the cooperation between the NAB and the Association of National Advertisers with the Association of Advertising Agencies, in forming a bureau to authenticate station coverage and listener data, Chairman Prall suggested:

"Why not go further? Here are the three principal trade associations of the three industrial groups most vitally concerned with radio as an advertising medium. Why can't they enlarge the scope of their activity to include a cooperative movement for safe, sane, clean, and dependable continuities on the air? There need be no mandatory rules. Perhaps the writing of trade practice provisions to cover these points would suffice."

The speaker also said the suggestion was plausible that had been made to set up within the industry an agency whose task it would be to advise stations and advertisers whether particular accounts are construed to be ethically and otherwise acceptable and to check with the Commission on this.

"Having served the city of New York as President of the Board of Education, with an enrollment of more than a million boys and girls in the public schools, I am naturally interested in what is going over the air under the guise of children's programs. Caustic complaints have come to me to the effect that many children cannot eat or sleep after hearing some of these blood and thunder broadcasts. Good judgment would have prevented this, and can prevent it", Mr. Prall went on.

Speaking of the newspaper phase of the situation, the speaker continued:

"Naturally, we cannot expect this fifteen year old infant, which some of my newspaper friends call 'audible journalism', to do what the publishers have accomplished only after four centuries; but it can profit and happily is profiting by the experience and background of the 'Fourth Estaters'."

"I find that news reports consume infinitely more time than they did only a few short months ago. That is an interesting and important development and may have a far reaching bearing upon the future status of the broadcasting stations.

"Broadcasters, as they become more alive to their editorial responsibility, I believe will soon find themselves establishing editorial standards. By that I do not mean that they will identify themselves with politics, for that would be wrong and deplorable. It is my view that they will become more intimately identified with the civic activities of their own communities, that there will be more forums on the air, and that they will awaken the interest of their listeners in an entirely new sphere of editorial activity."

X X X X X X X X X X

FCC COMES THROUGH WITH 69 PAGE INTERLOCKING ALIBI

The Communications Commission has issued a 69 page, legal size, double-spaced, mimeographed opinion upon which it based its recent decision that a person may not hold the position of officer or director of more than one carrier. This includes a 13-page statement of facts and grounds for the decision, a specially concurring opinion of Commissioner Walker, 12 pages, a dissenting opinion of Commissioner Stewart, 37 pages, and a dissenting opinion of Commissioner Brown, 7 pages. It is the bulkiest opinion ever submitted by either the old Radio Commission or its successor the FCC.

The conclusion in the statement of facts and grounds for decision is that

"Section 212 of the Communications Act makes it unlawful for any person to hold a position of officer or director of more than one carrier subject to the Act, unless such holding shall have been authorized by order of the Commission. Under this section the applicant bears a very serious burden to show the Commission, beyond doubt, that neither public nor private interest will suffer.

"In each of these applications the applicant has failed to meet this burden. It will be necessary briefly to discuss some of the facts relating to each individual application."

Following this the cases of Messrs. Gifford, of the American Telephone & Telegraph Company; Sosthenes Behn, International Telephone & Telegraph Company; Edwin F. Carter, American Telephone & Telegraph Company; E. F. Chinlund, Mackay Radio and Telegraph Company; Joseph J. Halpin, Mackay Radio & Telegraph Company; Newcomb Carlton, Western Union Telegraph Company; E. Y. Gallaher, Western Union Telegraph Company; David Sarnoff, R.C.A. Communications, Inc., and Lewis MacConnach, R.C.A. Communications, Inc., are discussed separately.

Note: Copies of this decision may be had upon application to the Federal Communications Commission or to this writer.

R. D. Heinl

X X X X X X X X X X

N.Y. DEALER CITED FOR MISLEADING "ALL WAVE" ADVERTISING

Misleading representations in the sale of radio receiving sets and equipment will be discontinued by Miodrag Jelisjevich of New York City, a manufacturer trading as Pioneer Sound Laboratory.

Entering into a stipulation with the Federal Trade Commission, Jelisjevich agrees to stop employing the words "all wave" as descriptive of his products when they are not capable of reception over the entire meter range covering all broadcasts and commercial transmissions, and to cease implying in advertisements that users of his radio receiving sets can have world-wide or foreign reception at will and with satisfactory volume.

"The respondent's advertising was said to be misleading and deceptive to the purchasing public, who are not aware that there are no receiving instruments that will give easily tuned, satisfactory reception over short waves from foreign countries under all conditions", the Trade Commission's statement concluded.

X X X X X X X X

C O R R E C T I O N

In the account of "Prall's Brawl Proves Quite A Success", the party given to celebrate the appointment of Anning S. Prall, Chairman of the Federal Communications Commission, in the issue of July 2, the last line should have read, "Marvin H. McIntyre, secretary to President Roosevelt, presided."

X X X X X X X X X

CLEVELAND WIRED RADIO DECISION SOON

Following a three months' test of wired radio in Cleveland - entertainment via the electric light wires - meters are being checked and it is expected that definite results will soon be known.

"If the results satisfy the wired radio big-wigs, the service will be offered local listeners on a city-wide scale", Norman Siegel, Radio Editor of the Press, said in sizing up the situation. "If the results say 'No', wired radio will be put back on the shelf to be forgotten until somebody again thinks the public wants it.

"Wired radio, the transmission of voice over electric light wires, has been waiting for eight years to get out of the laboratory and compete with space radio for listener interest. It finally was given its first workout here on March 15.

"The test was conducted in the western half of Lakewood. During the three months it has been in operation, sets were placed in 700 homes for three-week trials. Programs were wired from a studio at 13000 Athens Avenue and relayed through an illuminating company sub-station. Listeners were given a choice of three programs. Meters on the sets tabulated the number of hours each of the three different channels were listened to. The hope of Muzak Corp., which conducted the test, is that the sets were used more hours per day than space radio receivers.

"Although a report isn't due till early in July, this writer in a check of his own finds that the sets were listened to on an average of four hours a day, and that the channel bringing rhythmic dance music was favored . . . and that the 'Isle of Capri' was the tune most requested by Lakewood listeners.

"Giving you some more advance reports, we learn from a questionnaire sent to the 700 families selected for the test that: News flashes, news commentators and sports broadcasts are their favorite space radio programs . . . and that Ben Bernie is their favorite ethereal entertainer. Yowzah, Ben, the aged baton wielder.

"Harris D. H. Connick, Vice-President of Wired Radio, Inc., and H. D. Duncan, the outfit's chief engineer, arrived in town to complete the test and assist in the tabulation. In a couple of weeks they'll let you know whether you can buy wired radio programs free of commercial advertising at so much per month. The decision will be made without the aid of the Supreme Court."

X X X X X X X X

INDUSTRY NOTES

Monday night, July 8, at the Broadcasters' Convention at Colorado Springs, representatives of the Inter-City stations will attend a conference presided over by Donald Flamm, of WMCA, New York City, at which time plans for the further development of the group's activities will be discussed. A conference of western stations interested in forming a similar group has been scheduled for Tuesday night, a press release sets forth.

A favorable recommendation has been made to the Commission by Examiner Melvin H. Dalberg in the application of George B. Bairey, of Valley City, North Dakota, for a 100 watt station on 1500 kc.

F. P. Guthrie, Manager of R.C.A. Communications, in Washington, attended the Detroit Convention of the Institute of Radio Engineers.

A dispatch from Kansas City said that Police Chief Coffee's libel suit against Time magazine for its "March of Time" broadcast of April 6, 1934, has been settled for $20,000.

Chief Coffee, appointed only a short time before, filed suit against the Columbia Broadcasting System, Remington Rand and KMBC, asking for $250,000 damages. Attorneys would not disclose who paid the money, but Time magazine had representatives in Kansas City negotiating the settlement.

According to NBC Sales Department, Jack Benny's Jell-O program commands the largest listening audience of any program on the air. It is produced for General Foods Corp. by Young & Rubicam, Inc., Advertising Agents, of New York, Chicago and Detroit.

The Federal Government's anti-trust action against the Radio Corporation of America and RCA Communications, Inc., ended at Wilmington, Del., July 2, when Judge John F. Nields in Federal District Court issued a consent decree disposing of the communications agreements of the two companies with foreign countries, including China, Poland and Czecho-Slovakia.

X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF JULY 9, 1935

No. 841

July 9, 1935

GOVERNMENT OFFICIAL WAXES FACETIOUS OVER TELEVISION

It isn't often that a humorous note is allowed to creep into a Government report but there was a good laugh in the introduction of the account Andrew W. Cruse, of the Bureau of Foreign and Domestic Commerce, gave of his European television investigation to the National Association of Broadcasters' Convention at Colorado Springs yesterday (Monday).

"It was early in 1925 that Baird in England and Jenkins in this country succeeded in demonstrating the practicability of television and almost hourly since then we have read that 'Television in the home is just around the corner!'", Mr. Cruse said. "For some unaccountable reason this mirage of visual transmissions which has been dangled before the eyes of the public has failed to lose its novelty despite this repetition - and any writer has always been sure of attracting a large number of readers through the simple expedient of developing a new angle on the 'Television Story.' In this respect the 'Television Story' has always reminded me of an old wooden theatrical property horse which was constantly being relegated to the limbo of the dusty old cellar - and just as constantly being dragged out, dusted off and paraded around before an ever-enthusiastic public whenever there has been a dearth of news. I think that I can say without fear of contradiction - serious or otherwise - that from a news viewpoint - television has been the most successful scientific development of all time!

"On the 14th of May 1934, a new note crept into this Ravel's Bolero of the 'Television Story', when the British House of Commons announced the appointment of a Committee:-

> "'To consider the development of television and to advise the Postmaster General on the relative merits of the several systems and on the conditions under which any public service of television should be provided.'

"This theme was built up to a terrific crescendo when, on January 14th of this year the British Television Committee rendered its report. The corner had been turned, the wooden horse had blinked his eye, the public cheered, the bearings of the typewriters ran hot, television stocks boomed - in short, a scientific sensation was created which would have dwarfed the story of catching the Loch Ness monster on a bent pin!

"But in the background of the cheers in the United States could be heard the - 'Walla-walla-walla' - of those incredulous persons who were - and for that matter still are - demanding the answers to their questions - 'What are we going to

do about it? - When are we going to have television in our homes? - What is to be our answer to this challenge of our recognized leadership in the field of science?'

"That, in brief, was the situation when early in May the United States Department of Commerce decided to make a study of the television situation in Europe because by this time Germany and France were also in the television picture - and advise the electrical and radio industries in this country the exact state of affairs in a fair, unvarnished, uncolored, unbiased fashion."

When Mr. Cruse discussed the British situation he said, "You will note that the Postmaster General refers to this as the 'proposed experimental television service.'" Also another bit of humor creeps into the report when Mr. Cruse tells that preliminary negotiations are being carried on for a television patent pool and adds:

"There can be no doubt of the successful conclusion of these negotiations - but I assure you that any mediation board which must determine how royalties will be distributed certainly has my sympathy."

The final bit of humor crept into the report when the Government investigator, referring to what France was doing in television said:

"I was very much amused to read a handbill which was passed out at a recent Radio Show by the French Radio Manufacturers and which translated read:

"'Television is not here and even if it was here receiving sets would be too expensive for you to buy.
"'All of this television propaganda which you hear is being started by the German, von Ardenne.
"'If you could buy television receiving sets they would use extremely high voltages of from 4,000 to 5,000 which is the same as is used to kill criminals in New York.'

"The effectiveness of this appeal is demonstrated by the fact that it was necessary to install a moving carpet before the only television receiver shown - in order to prevent a traffic jam!"

Seriously speaking, Mr. Cruse referred to a number of phases of television. Of coaxial cables, he said:

"Experimental work is being carried on in the field of coaxial cables for the land line relay of television programs from one city to another and there is one unconfirmed report that the British Post Office hope to have a coaxial cable link between London and Birmingham before our New York-Philadelphia coaxial cable is placed in service. In view of the fact that they speak of their cable as being capable of handling a frequency band of

but 1.5 megacycles I seriously doubt if they can, or will, plan to use it for television relay work."

"While the German engineers expect to carry on their experiments using 180 lines, they plan to eventually go to 270 line pictures. This latter figure has been arrived at as the most economically satisfactory standard taking into consideration transmission costs and land line relays using coaxial cable. They are confident of their ability to manufacture long haul cables of this character capable of handling a band of 3 megacycles. The maximum frequency band which they have been able to handle by cable so far is 5 megacycles and that, they quite frankly admit, could only be accomplished over a distance of approximately 100 meters. The Post Office is considering the laying of a 3 megacycle cable between Berlin and Frankfort some time in the future and expect to use this cable for the relay of television programs.

"The German Ministry of Propaganda is most interested in securing broadcast coverage in those areas which are now in 'dead spots.' In view of the fact that practically all of the frequency bands available to that country are now in use, they expect to cover those 'dead spot' areas with ultra-short wave, probably using seven meters, and equipping each new location with both sound and television transmitters at the same time. In order to secure television coverage of the principal population centers of the entire country, it is estimated that twenty-five 20 kw ultra short wave transmitters will be required."

Mr. Cruse seemed a trifle skeptical when it came to the question as to how the terrific cost of television is to be met and apparently thought this question might even "rock the boat" when the British Broadcasting Corporation comes up for a renewal of its license next year.

"In considering television from this angle the question logically arises - 'Who is going to pay the bills?'" the U. S. investigator observed. "It should be remembered that approximately seven million listeners are now paying license fees of two dollars and a half per year of which the B.B.C. receives a dollar and twelve cents and the balance goes to the treasury. It is now proposed to increase the B.B.C. share of the license fee to two dollars and twenty-five cents, thus giving them approximately $15,750,000 annually on which to operate both sound and visual services. It is most interesting to note that this new proposal has caused practically no adverse criticism from license holders in areas not to be served by the television programs.

"As you probably know, the British Broadcasting Corporation's charter expires December 31, 1936, and it is going to be most interesting to observe what effect this venture into this new field will have upon its future!"

In conclusion the comment of Mr. Cruse with regard to the programs of television in the United States is not the least interesting.

"The technical development of television is still in a state of flux and much work in the laboratory still remains to be done", he said. "You of the Broadcasting Industry must develop studio technique before you can hope to satisfactorily enter this field."

X X X X X X X X X

ANOTHER N.Y. RADIO DEALER UNDER FIRE

False and misleading advertising of radio receiving sets and radio equipment is alleged in a Federal Trade Commission complaint against Try-Mo Radio Co., Inc., New York City.

Advertisement of "All-Wave Receivers", "Powertone World Wide Short-Wave Products" and "Powertone World Reception" is alleged to be false and misleading in that none of the respondent's products makes it possible for the operator to receive through a single instrument either the domestic broadcast band or the foreign broadcast band at his pleasure.

The Commission has designated Friday, August 2, for the respondent to show cause why an order to cease and desist from the practices charged in the complaint should not be issued.

X X X X X X X X

THREE NEW STATIONS FOR BRAZIL

Petition has been filed with the Department of Posts and Telegraphs of Brazil for the operation of the following radio broadcasting stations, Assistant Trade Commissioner Aldene A. Barrington, Rio de Janeiro, advises:

Name and Location	Call Letters	Frequency	Wavelength	Power
Sociedade Radio Farroupilha, Porto Alegre	PRH2	600 kc.	500 meters	25 kw
Sociedade Radio Mantiquera, Cruzeiro-S. Paulo	PRG6	1500 kc.	200 "	0.25 "
Radio Ipanema, Rio de Janeiro	PRH8	835 "	360 "	5 "

Final authorization for operation is awaiting technical formalities of the petitioned department.

X X X X X X X X

NEW BOOK TELLS STORY OF RADIO NEWS

A new book, "News While It Is News", "The Real Story of the Radio News" has been written by Leland Bickford, Editor-in-Chief of the Yankee Network News Service, in collaboration with Walter Fogg, author of "One Thousand Sayings of History".

In the preface Mr. Fogg explains that the book "takes the host of followers of the Radio News behind the scenes. It affords them the opportunity of sharing in the orderly bustle and tireless endeavor which render it possible for the twelve Yankee Network broadcasting stations in the six Northeastern states to keep them intelligently and promptly informed of the sharply-shifting kaleidoscope of fire and flood, politics and courts, industry and the arts, religion and reform, peace and war, sports and social whims."

The book is dedicated to John Shepard III, of Boston, founder of the Yankee Network News Service, and is as follows:

"He opened up a new field in radio - the collection and dissemination of local, national, and world events by means of regular news broadcasts. Taking as his slogan, 'News While It Is News', he dared to go ahead, at great expense and against discouraging obstacles, with the object of giving to the public, in full, a service of which they would have been deprived.

"The Yankee Network News Service, as it stands today, firmly implanted in popular favor, is a fitting monument to the keen foresight and fearless determination of the man who directs this outstanding New England organization."

"News While It Is News" is published by G. C. Manthorne & Co., of Boston, and the price of the book is $1.50.

X X X X X X X X X

GERMAN RADIO EXHIBITION AT RADIO CITY

Following the Polish Radio Exposition shown recently at Radio City, Rockefeller Center, New York City, the National Broadcasting Company is showing various German receiving sets together with some pictures and charts showing both the technical development of German Broadcasting and the increase in receiving sets used by German listeners who, as in England, must pay a small monthly "listening fee" part of which goes to the stations for program expenses while the rest goes to the Government for lines, machinery, etc. This fee incidentally enables an accurate check on the number of sets in use.

Shown among other sets is the well-known "Volksempfaenger" (The People's Receiving Set) in a magnified form as it is

being used in meeting places for mass receptions of important events. In its regular size it is used by many German listeners on account of its cheap price.

The "German Exhibit Room" on the 9th floor of the RCA Building is part of the permanent Radio Show through which many daily tours are being conducted by guides of NBC.

X X X X X X X X

FAVORABLE OUTLOOK FOR CANADIAN RADIO INDUSTRY REPORTED

Prospects for Canada's radio manufacturing industry for the current year appear to be better than 1934 when 189,000 receiving sets were produced, according to a report from Consul Damon C.Woods, Toronto, made public by the Commerce Department.

Changes and improvements, it is pointed out, will follow closely those in the United States, as the Canadian companies, with one exception, are branches or affiliates of the large American manufacturers.

All-wave sets, which led the uptrend last year, will again be featured and two-band reception will be on all but the "midget" sets. Metal tubes will appear early this Fall.

Sales of receiving sets in the Dominion during the first quarter, the report states, amounted to approximately 25,000 units, with a retail value of $2,300,000. About 85 per cent of the sets now sold are all-wave. The actual demand for battery sets from householders without electric wiring is running well ahead of last year, particularly in the rural sections.

Sales of radio sets for automobiles in Canada are comparatively small, as compared with the United States. This situation is due partly to their greater cost and also to the fact that the open weather season is shorter than in the United States. Automobile sets sold in Canada during 1934 numbered 13,235 units, as compared with 700,000 sold in the United States.

X X X X X X X X X X

INDUSTRY NOTES

The twelfth Paris International Radio Show, organized by the "Society pour la Diffusion des Sciences et des Arts", will be held in Paris from the 5th to the 15th of September, 1935, at the Grand Palais, in the Champs Elysees, Assistant Trade Commissioner Lestrade Brown at Paris advises.

Dr. John R. Brinkley, goat gland specialist, whose bouts with the United States and Mexican governments have kept him in the headlines for years, ran into trouble with Canadian authorities at Halifax, N. S., July 5, when, what is described by the Associated Press as his palatial yacht, the "Dr. Brinkley II", was seized by the sheriff.

A salvage suit for $5,000, entered by the owners of the Nova Scotia motor vessel "Shanalian", which refloated the big yacht after she struck Chebogue Point, Nova Scotia, in fog several days ago, led to the seizure.

Because of the lengthy references to Broadcasting Magazine in the speech of Chairman Anning S. Prall, at the Broadcasters' Colorado Convention, Martin and Solly are being kidded considerably and asked if maybe they didn't have a hand in writing the speech for "Annie", as close associates of the Chairman call him.

The Chamber of Deputies of Chile has given its approval to a bill authorizing the Government to install two radio telegraph stations, one in Santiago and one in Magallanes, at a cost not to exceed 1,295,000 pesos. The stations are to be operated by the State Post and Telegraph Department. The bill now goes to the Senate where it will undoubtedly be approved, Acting Commercial Attache Harold M. Randall, at Santiago, reports.

A permanent Mutual Broadcasting System sales organization for the handling of Mutual business has been established. Three salesmen selected to represent the network are T. Wylie Kinney, the WOR Sales Promotion Manager, and David D. Chrisman, WOR salesman, who will be eastern sales representatives. Ade Hult, formerly of the WGN sales staff will act as mid-west representative.

Lists of importers and dealers handling electrical supplies and equipment in the following countries have been compiled by the Commercial Intelligence Division from data prepared and submitted by American consular officers abroad under the direction of the Secretary of State. Copies of these circulars may be obtained from the Bureau of Foreign and Domestic Commerce, or from its District and Cooperative Offices. Price 50 cents each:

Siam Jamaica
Trinidad (including automotive equipment)

Similarly, a list of importers and dealers handling radios and radio equipment in Nicaragua has been compiled by the Commercial Intelligence Division, copies of which may be obtained from the Bureau of Foreign and Domestic Commerce, or from its District and Cooperative Offices at 50 cents each.

Nikola Tesla, physicist and inventor of modern power transmission methods, promised on the night of July 7th that on his 79th birthday, which is tomorrow, (Wednesday, July 10), he will announce a new invention which he said experts had been seeking "for the past 100 years", an A.P. report sets forth. From his guarded statements it was believed that the new invention would have something to do with wireless transmission of power. He said his newest is his greatest invention.

X X X X X X X X X X X

CABLE & WIRELESS (HOLDING), LTD., TO REDUCE CAPITAL

The Court of Directors in England has considered the possibility of applying part of the liquid resources of the Group in reduction of the amount of the paid uppreference capital of the company and has decided that without prejudice to the business, and after providing for all probable contingencies, £7,739,625 could be so applied, the Electrical Review of London reports. Inasmuch as the 5½ percent cumulative preference stock is entitled to priority over other stock, any repayment of the capital from the assets of the company must be a repaying of a proportion of such stock. The company now offers to purchase at par (up to June 25) one-third of the 5½ percent cumulative preference stock, together with all arrears of dividends thereon, and the stock so purchased will be cancelled and the capital of the company reduced accordingly.

X X X X X X X X

NBC EQUIPMENT LOST IN VESUVIUS BLAST

When Mt. Vesuvius erupted on July 3, John F. Royal, Vice-President of the National Broadcasting Company in charge of programs, who is now abroad, narrowly missed a spectacular conclusion of his colorful career.

He and Max Jordan, NBC Central European representative, accompanied by engineers and officials of the Italian Broadcasting Company, climbed to the rim of Vesuvius on the evening of July 2 and broadcast its grumblings to the United States. Just a few hours later the spot on which they had worked was scattered all over the Bay of Naples.

The eruption, the most devastating of recent years, came so soon after the broadcast that the NBC microphones were still in the crater. One was blown to pieces, and the stream of molten lava ate up all the wires as well as other equipment.

"Yes, it would have been one of the greatest broadcasts in radio", was Royal's comment.

"Fireworks, you might say, are natural to Royal" was the conclusion of an NBC press bulletin. "He was born on July 4 and things have been popping for him ever since."

X X X X X X X X

MARMOLA AGAIN CITED BY TRADE COMMISSION

The Raladam Co., of Detroit, manufacturers of "Marmola" tablets for fat reducing, and the Conde Nast Publications, Inc., of New York, both charged with practicing unfair competition by the Federal Trade Commission, have elected to fight the complaints, they stated in answers to the Commission.

The Marmola Company, long a subject of investigation by the FTC and Federal Communications Commission for alleged misleading advertising campaigns on the reducing qualities of its products, has denied the FTC charges that its advertising has been misleading and that the tablets are dangerous to the health of the user. A public hearing will follow possibly in the early Fall, at which time the charges will be examined by the Commission.

The Marmola company was cited by the Communications Commission along with 21 radio stations carrying its advertising programs. As a result of the FCC action, the radio stations have refused to carry further programs sponsored by Marmola and all but five were freed of the charges.

X X X X X X X X

ORDER NO. 16 OF THE TELEGRAPH DIVISION, FCC

Pursuant to Section 308(b) of the Communications Act of 1934, it is ordered that every radiotelegraph common carrier (except those operating exclusively in Alaska) which holds a point-to-point telegraph station license in the fixed public service, or in the fixed public press service, shall file a supplementary statement with each application for renewal of license for the next license period only, showing:

(a) The name of the organization operating the other end of each circuit designated in the license sought to be renewed and (to the best of applicant's information and belief) its relation to other communications operating or holding companies in the same country and any affiliation which it may have with any communications operating or holding companies or administrations in other countries.

(b) the number of paid words of public correspondence transmitted during the month of July 1935, to each point specifically designated in the license sought to be renewed.

(c) the name of each point of communication specifically designated in the license sought to be renewed to which no paid words of public correspondence have been transmitted during the license period, prior to the date of this order.

(d) the name of each point of communication specifically designated in the license sought to be renewed, to which paid correspondence was transmitted at some time during the license period but to which no such paid correspondence was transmitted during the month of July, 1935.

(e) the reason for not handling paid words of public correspondence with each point that may be listed under (c) or (d) above.

(f) the reason for desiring to continue inactive points of communication in the license.

It is further ordered that the aforementioned common carriers shall at the same time file an additional statement showing the number of paid words of public radiotelegraph correspondence received by them in the United States during the month of July, 1935, from each fixed point outside the United States from which messages are received.

X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL—Not for Publication

INDEX TO ISSUE OF JULY 12, 1935

No. 842

BROADCASTERS FAVOR GOVERNMENT PRESSING COPYRIGHT SUIT

The upshot of all the discussion of the copyrighted music situation at the National Association of Broadcasters' Convention at Colorado Springs was affirming the action of their Board of Directors taken in New York last month that while the Board reiterated the so-called "per piece" or "measured music" plan of payment, it believed that every broadcaster must himself come to a decision as to whether or not he desires to extend his present contract with the American Society of Composers for a five year period beyond 1936.

At the same time, however, the Broadcasters at their Colorado Springs meeting passed two resolutions, one approving a condemnation of the activities of Attorney General Cummings against the ASCAP and expressing appreciation and gratitude to the Attorney General, and another which read:

"RESOLVED, That the officers and directors of the National Association of Broadcasters be instructed to support the suit of the United States Government against the American Society of Composers, Authors and Publishers, The Music Publishers' Protective Association and their affiliated defendants, to the end that royalties for the public performance of music may be determined by free and open competition among copyright owners."

The NAB commended the efforts of Joseph Hostetler for his endeavors to "obtain relief for the broadcasting industry from the ravages of the ASCAP" and recommended that he be given the opportunity to continue as copyright counsel.

Another resolution was that the Board consider the establishment of one or more annual NAB awards for conspicuous examples of public service rendered by American broadcasting stations.

Among the other resolutions adopted at the Colorado Springs Convention were:

"Resolved, that the NAB go on record as favoring the issuance of radio station licenses for a term of at least three years."

"Resolved, That the NAB hereby petitions the Congress of the United States speedily to enact Senate Bill No. 3047, generally known as the Duffy Copyright Bill, which brings the Copyright Act of 1909 into conformity with the pending Treaty which would permit American entry into the International Copyright Union, and which will afford relief to broadcasting stations,

hotels, restaurants, public gatherings, valet shops, and so forth, by eliminating the minimum statutory damage provision and permitting the Court to determine the amount of damages."

"Resolved, That the action of the Managing Director in authorizing the Technical Director of the Association to cooperate actively with the FCC and the stations contributing to the conduct of the Secondary Coverage Survey be and the same is hereby approved; and that the Managing Directore be and he is hereby authorized to continue such participation particularly during forthcoming conferences at which the results of the survey are to be considered."

"Resolved, That the Managing Director be and he hereby is authorized to take such steps as may be necessary adequately to represent the best interests of the broadcasting industry in the forthcoming conferences preparatory to the Fourth Meeting of the CCIR (International Consulting Committee on Radio), scheduled for the Spring of 1937 (probably at Bucharest) and in the meeting of the CCIR."

"Resolved, That the President be and he hereby is authorized and directed to appoint a committee of three, one of whom shall be the Managing Director, to determine the procedure for most effective presentation of the United States' position and proposals to the next administrative International Conference scheduled to be held in Cairo early in 1938."

"Resolved, That the Managing Director be instructed to proceed immediately with the creation of a bureau of agency recognition in accordance with the plan approved and recommended by the Commercial Committee, with the understanding that the said bureau will be finally established only if the cost of its first year of operation is underwritten by the stations proposing to avail themselves of its services."

"Resolved, That the National Association of Broadcasters reaffirm its willingness to cooperate with the advertisers and agencies in the creation of a cooperative bureau, and that the President of the Association be directed to appoint a committee of not less than five members, to be approved by the Board of Directors and to be responsible to it, the said committee to conduct such activities as may be necessary to the establishment of such a bureau and to represent the National Association of Broadcasters in any discussions or negotiations with advertisers and/or agencies."

Also resolutions were passed commending the services of Philip Loucks, who has just retired as Managing Director; Henry A. Bellows, for his work as Chairman of the Legislative Committee; and Chairman Prall of the Federal Communications Commission, who addressed the Convention,and Andrew Cruse, of the Commerce Department for his television report.

X X X X X X X X

BROADCASTERS ADOPT REVISED CODE OF ETHICS

The following revised Code of Ethics was adopted by the Colorado Broadcasters' Convention:

1. Recognizing that the radio audience includes persons of all ages and all types of political, social and religious belief, each member station will endeavor to prevent the broadcasting of any matter which would commonly be regarded as offensive.

2. When the facilities of a member station are used by others than the owner, the member shall ascertain the financial responsibility and character of such client, that no dishonest, fraudulent or dangerous person, firm or corporation may gain access to the radio audience.

3. Matter which is barred from the mails as fraudulent, deceptive or obscene shall not be broadcast by a member station.

4. Each member station shall refuse any advertising matter regarding products or services injurious to health.

5. Each member station shall maintain a public record of its current rates charged to advertisers for the use of broadcasting time together with all discounts, rebates, refunds and agency commissions which shall be allowed to the users of such time or to their recognized agents.

6. Each member station shall refuse to accept any business on a cost per inquiry, contingent, or percentage basis, or to accord free time for commercial use.

7. No member station shall permit the broadcasting of advertising statements or claims which he knows or believes to be false, deceptive or grossly exaggerated.

8. No member station shall defame or disparage a competitor, directly or indirectly, by words or acts which untruthfully call in question such competitor's business integrity, ability to perform contracts, credit standing or quality of service.

9. No member station shall claim for its service a character, scope or quality which cannot be substantiated, nor shall it claim as regular characteristics of its service features which it knows to be purely temporary or accidental.

10. Where charges of violation of any article of the code of ethics of the National Association of Broadcasters are filed in writing with the Managing Director, the Board of Directors shall investigate such charges, give opportunity for hearing and afterwards notify the station of its findings.

X X X X X X X X X

INDUSTRY FEELS SECURE WITH PRALL, NAB CONVENTION TOLD

That the broadcasting industry is breathing somewhat more easily under the new FCC regime with Anning S. Prall, as Chairman, is apparent from the tribute J. Truman Ward, President of the National Association of Broadcasters paid to the latter at the Broadcasters' Convention at Colorado Springs.

"Practices of the governing body of radio, the Federal Communications Commission, are fast becoming stabilized under the valiant leadership of Chairman Prall", Mr. Ward said. "It is my belief that the individual broadcasters and the industry as a whole, feel more secure in their position today operating under the new Commission, than at any time in its history."

Also, Mr. Ward spoke in reassuring tones with regard to the educational situation, as follows:

"Whatever may have been our fears before, in the end I am sure every station participating welcomed the opportunity to testify before the Commission. Stations participating presented their cases in a most interesting manner and all rallied to the leadership of NAB, making possible the presentation of a case which could not be broken. When the facts were known, I am quite sure the industry as a whole, was surprised to know that such a vast amount of time was being given to subjects of a general educational or informative nature. You are all aware of the favorable report given to Congress by the Commission, which in substance upheld the American system of broadcasting. May I pause here to pay my respects to Phil Loucks and Henry Bellows for their leadership and the admirable manner in which they conducted the case for the industry? Henry Bellows had a gigantic task in collecting all the data and putting it together into a most beautiful and logical summary of the case."

Mr. Ward also paid a high tribute to Phil Loucks, who is retiring as Managing Director of the Association, for his able work, in general.

With regard to the Copyright situation, Mr. Ward said:

"The American Society of Composers, Authors and Publishers has offered to the industry a renewal of their present contract for a period of five years. This contract, while it may not be desirable to the industry as a whole, does at least protect the industry from a further increase in payments to ASCAP for a period of five years from the expiration of our present contract, and would become void should the Government win its case before its expiration or a more desirable plan of operation be entered into between the industry and ASCAP."

The speaker concluded:

"We need much closer cooperation in our industry with the advertising agencies, represented by the AAAA, the AFA and the ANA, and through them, with the advertiser. Definite information must be compiled and made available for the time buyer."

"During the past year our industry has prospered - business has continued to gain during 1935 - gross time sales during the first four months of the current year, were approximately 20% greater than during the corresponding period of 1934. Particularly, encouragement is to be found in the use of radio advertising by retail establishments. Radio advertising of this type was 48.6% greater during the first quarter of 1935 than during the same period of the preceding year. April retail volume was 71.1% ahead of the same month of last year. Department store volume has exceeded that of the previous year by about 50%. The total gross revenue from the sale of broadcasting facilities representing only gross time sales for the year 1934, amounted to $72,887,000. This equalled and probably exceeded the previous estimated peak which occurred in 1931. There has been an increase in the number of receiving sets, slightly more than 4,000,000 new sets being sold in 1934. There were approximately 21,000,000 radio homes in this country on January 1, of this year, representing a potential listening audience of approximately 70,000,000 people. This does not take into consideration the ever increasing number of automobile radios being sold. There are approximately 21,430,000 passenger cars in use today, representing a very fertile field for the continued sale of auto receiving sets, bringing with it a greatly increased constant listening audience."

"With general improvement in business conditions throughout the country, I am confident that our industry is on the threshhold of a very profitable future, which will enable us to be of greater service to our country and its people."

X X X X X X X X X

FITZPATRICK, WJR, DETROIT, NEW NAB PRESIDENT

Leo J. Fitzpatrick, Vice-President and General Manager of WJR, Detroit, was elected President of the National Association of Broadcasters at the Colorado Springs Convention. Mr. Fitzpatrick has been the radio advisor for Rev. Charles Coughlin for many years and he is credited, to a large degree, for the latter's success over the radio. Mr. Fitzpatrick succeeded J. Truman Ward, President of WLAC, Nashville, who was not a candidate for reelection.

Edward A. Allen, President of WLVA, Lynchburg, Va., was elected a Vice-President. WLVA is a 100-watt station and Mr. Allen's election is looked upon much as a concession to the complaint registered by the newly organized group, of which Mr. Allen

is President, composed largely of 100 watt stations, that the smaller stations were not adequately represented on the Board or among the higher officers of the NAB.

Quite a hot fight was waged over the treasurership with Isaac D. Levy, of WCAU, Philadelphia, reelected over John Shepard III, President of the Yankee Network, of Boston. The fact that any contest developed over the treasurership was attributed to the stand which Mr. Levy took in the copyright controversy.

There was a dramatic moment when Levy personally took the floor to explain his position on this, according to a dispatch from Colorado Springs, which states that he began by sarcastically intimating that not 20% of the membership understood the ASCAP problem. He had heard the stories about his selling them down the river, he stated, and then for 45 minutes he presented his side of the case. He referred to the weakness of the government's suit against ASCAP and the practical common sense of accepting the best terms possible. Levy stated that while the treasurership of NAB was a burden, he would stand for reelection.

At the conclusion of the session and after answering questions fired at him from all directions, Levy received a vote of confidence.

Apropos of the defeat of John Shepard by Levy for the treasurership, it was said that they had had previous business differences.

As had been anticipated, James W. Baldwin, former Secretary of the old Federal Radio Commission, and later Code Officer for the Broadcasting Industry, was appointed Managing Director to succeed Philip G. Loucks, who has resigned to return to law practice. Mr. Baldwin is a native of Indiana and had previously been connected with the National Association of Broadcasters. It is expected that Mr. Loucks will be retained in an advisory capacity by the Association, perhaps as counsel in copyright matters.

Although official figures are not as yet available as to the number of delegates who actually attended the convention, a new record was set with more than 300 registered at the Broadmoor Hotel and an estimated registration at other hotels which would probably bring the attendance up to 450.

A large proportion of the close to 100 stations which are owned and operated by newspapers were represented at a get-together meeting to organize a separate section of the Broadcasters' Association. Walter Damm, Dean Fitzer, and Lambdin Kay were appointed as a committee to perfect the organization of this group.

A warning against gradual assumption by Federal Communications Commission, indirect censorship powers and prediction that this indirect government censorship will result in legislative action was contained in report of NAB Legislative Committee read before the convention Monday afternoon. The report declared recent wholesale citations in "Marmola" case raises the question whether Commission may use authority to revoke or renew broadcasting licenses for purpose of controlling programs' quality or character. If the Commission can, the conclusion is inescapable, it is in effect, censoring radio programs.

The Commission, the report admits, may have this right but broadcasters are entitled to know what standards it proposes set up. The Legislative Committee thinks it is utterly illogical that a station be threatened with loss of license by reason of broadcasting programs which so far as is known are not against existing laws. If the advertisement is illegal the same methods which would bar its publication in newspapers should be adequate to prevent its being broadcast.

X X X X X X X X X X

WIRED RADIO TICKER NEWS SERVICE CONTEMPLATED

According to reports from New York, the Ticker News Service, Inc., known as the Lang-Worth Feature Programs, Inc., will soon begin and experiment with wired radio in Philadelphia and New York. This will be a bulletin service intended for grills, restaurants, hotel bars and other places where the usual ticker news service is found. The International News Service will supply ticker news with general news and bulletins.

The Ticker News Service claims 600 subscribers in New York and about 200 in Philadelphia.

X X X X X X X X X X

SMALL STATION APPLICANTS FAIL TO APPEAR

Apparently some of the applicants for 100 watt station licenses are not so eager to press their cases when they find out what they must go through with before starting up. An instance of this was M. B. Scott, of Prescott, Arizona, who applied for an operating assignment with a power of 100 watts on 1500 kc. and Radio Service, Inc., of Las Vegas, Nevada, on 1200 kc. No one appeared at the Commission in behalf of either station and both applications went by default.

In the case of Eugene DeBogory, of Brownsville, Texas, asking for 100 watts license on 1370 kc., at Brownsville, Texas, and 1420 kc. at Denton, Texas, Ralph L. Walker recommended that both applications be denied.

X X X X X X X X

BROADCAST ADVERTISING AHEAD OF LAST YEAR

Broadcast advertising volume still remains materially ahead of last year's level, according to the National Association of Broadcasters.

Broadcast advertising in May exhibited the usual seasonal trends. Total gross time sales during the month amounted to $7,546,285, a decline of 6.4% as compared with April volume. National network advertising decreased 7.2%, national non-network volume 8.2%, and local broadcast advertising 4.1%.

Regional network advertising alone increased rising 5.5% as compared to April.

The Association has issued a special report on the subject of retail broadcast advertising. Despite the fact that retail institutions were among the first to own broadcasting stations, retail advertising over the radio, until recently, has progressed more slowly than has its national counterpart. Retail broadcast advertising during the current year, however, has shown a large gain over the same period of 1934. Department and general store advertising has increased particularly.

In spite of the fact that the highest proportion of retail to total advertising is found on the local stations, it is the regional stations - the 250-1,000 watt group - on which the majority of retail advertising is placed. It is estimated that in 1934, approximately $4,000,000 was spent by retailers over stations of this class. Approximately $1,750,000 was spent over the 100 watt stations, while the remaining $1,400,000 was placed over stations in the high power group.

The average expenditure by retailers over each class of station, reveals another aspect to the situation. Respectively, for each class of station, this is as follows: over 1,000 watts, $22,000; 250-1,000 watts, $13,000; 100 watts, $7,000. The concentration of the larger retail establishments on the higher powered stations, and the effect of the higher station rates, are clearly illustrated.

The question is asked "how much retail advertising is there?" And the NAB answers it as follows:

"In 1934 total gross time sales to retail establishments amounted to $7,183,000, or 44.9% of all local broadcast advertising. The retail classifications used in arriving at this figure were conservative, only indisputably retail establishments being classified as such. If all advertisers, invested with any retail interest whatsoever - as for example, bakeries, or dairy companies selling through retail establishments as well as through their own wagon routes or outlets - had been

included in the classification, it is probable that more than 60% of local broadcast advertising would have been included under the retail heading. Retail broadcast advertising in 1934 constituted 24.3% of all non-network gross time sales, and 9.9% of all advertising over the radio."

X X X X X X X X X X

BROADCASTER-EDUCATOR COMMITTEE TO BE ANNOUNCED SOON

One of the first things the Federal Communications Commission will turn its attention to after various officials from the Broadcasters' Convention in Colorado Springs have returned, will be the appointing of new committees of broadcasters and educators to cooperate with the Federal Communications Commission in educational broadcasts.

This matter is now being considered by John W. Studebaker, U.S. Commissioner of Education, and Judge E. O. Sykes, Chairman of the Broadcast Division of the Commission. They will submit a tentative list of broadcasters and educators to the full Commission which will undoubtedly be approved and announced at a fairly early date.

X X X X X X X X X X

FCC COMMISSIONER IS CAVALRY COLONEL

Commissioner Norman S. Case, Vice Chairman of the Broadcast Division of the Federal Communications Commission, a Colonel in the Reserve Corps of the Army, is at present in camp at Fort Ethan Allen in Vermont, in command of the 351st Cavalry. Colonel Case will not return to Washington until about July 23rd. Inasmuch as Chairman Prall is at the Colorado convention of the National Association of Broadcasters, Chairman E. O. Sykes of the Division has been authorized to pass on all pending matters.

Colonel Case, in addition to the time he has devoted to military affairs, was also formerly Governor of Rhode Island.

X X X X X X X X

INDUSTRY NOTES

E. C. Grimley of New York has been elected President of the RCA Victor Company, Ltd., in Canada, succeeding B. Gardener of Montreal. He was for many years connected with the Radio Corporation of America and prior to that with the Victor Talking Machine Company.

The Columbia Broadcasting System has announced the appointment of the following to serve as an Advisory Committee on children's programs: Mrs. Henry Breckinridge, Chairman of the Municipal Arts Committee; Mrs. Harold V. Milligan, Chairman of the Women's National Radio Committee; Mrs. William Barclay Parsons, Jr., President of the Parents League; Newel W. Edwon, National Chairman of the Social Hygiene Committee of the National Congress of Parents and Teachers, and Gilson Gray, Commercial Editor of the Columbia System.

The earnings of the Radiomarine Corporation of America for May and five months were:

	1935	1934
May gross	$76,864	$76,331
Net income	9,915	8,897
Five months' gross. . .	370,931	368,015
Net income.	47,704	37,165

Radio's war against the American Society of Composers, Authors and Publishers moved last week to the western front, when Attorney General G. W. Hamilton of the State of Washington obtained in the superior court at Olympia an order temporarily restraining ASCAP from making any further collections from the users of copyright music in the State. This action is believed to have been pushed by Kenneth C. Davis, Managing Director of the Washington State Broadcasters' Association who won for the Bellingham station, KVOS, its news suit with Associated Press last Fall.

At a meeting in New York of stockholders of the Sonotone Corporation, an issue of 50,000 shares of cumulative preferred stock was approved by the stockholders.

Dr. Hugo Lieber, President, said sales for the first half of 1935 were $870,000, a gain of 37 per cent over the 1934 period.

X X X X X X X

7/12/35

MC COSKER'S CONTRACT EXTENDED AS WOR PRESIDENT

The contract of Alfred J. McCosker, President of the Bamberger Broadcasting Service, Inc., owners and operators of radio station WOR, has been given a long term extension beyond February 1, 1936. The extension was announced in the following statement:

"McCosker, in addition to being President of the Bamberger Broadcasting Service, Inc., is also Chairman of the Board of the Mutual Broadcasting System, Inc. and Vice-President of Radio Quality Group Service, Inc.

"McCosker, who has been with WOR twelve years, has been President of the Bamberger Broadcasting Service, Inc. since October, 1933. Before that time he was Director and General Manager of WOR for seven years. He has served two terms as President of the National Association of Broadcasters, being elected in 1932 and reelected the following year. In 1933 McCosker was also appointed a member of the Executive Committee of the NRA by President Roosevelt.

"Before joining WOR, McCosker was a daily newspaper and magazine editor and on entering the broadcasting industry his success in applying newspaper practices to the then infant radio field was largely responsible in his being appointed the station's director and general manager.

"McCosker was the first to inaugurate the 'spot' feature type of broadcast and to install remote control lines in almost every possible source of such programs. He brought the last three Presidents before the station's microphones, as well as kings, queens, statesmen, persons high in diplomatic circles and many other world-famous figures.

"McCosker was the first radio executive to be appointed a member of the Board of Directors of the Advertising Federation of America. He is a member of the Advertising Club of New York, the New York Athletic Club, the New York Electrical Society, the Economic Club and many others. Recently McCosker was appointed Chairman of the National Association of Broadcasters Committee to devise methods by which the advantages which accrued from the NRA code may be retained."

X X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF JULY 16, 1935.

No. 843

July 16, 1935

STATIONS GET REFUNDS WHEN CODE AUTHORITY LIQUIDATES

As his last official act before taking over his new duties as Managing Director of the National Association of Broadcasters, James W. Baldin, Code Authority of the Broadcasting Industry mailed refund checks aggregating $10,502 to 485 contributing members of the industry. Detailed financial statement accompanied the rebates.

The Code Authority report on financial operations from Dec. 11, 1933, to May 27, 1935 - from the date the pact went into operation until the Supreme Court ended the NRA - shows total receipts of $34,239.43. Up to June 29, expenses were $23,736.54. Refund for the entire period amounted to 30.67% of collections.

Refunds were made on a pro-rata basis covering two separate fiscal periods - from Dec. 11, 1933, to Dec. 31, 1934, and from Jan. 1, 1935, to May 27, 1935 - to compensate for the fact that some stations which kicked in for the first year did not come through for 1935 and vice versa. Actual amounts were based on excesses for the 1933-34 period and the five months of 1935.

Auditors' statement showed that Code Authority income amounted to $23,553.76 from Dec. 11, 1933 to Dec. 31, 1934, and $10,685.67 for the period in 1935. Expenses for comparable periods were $14,992.78 and $8,743.76 making the surpluses $8,560.98 and $1,941.76. Refund for the first period amounts to 36.346% of the receipts and for the second period to 18.173%.

During the approximately 18 months the Code was in effect, codists spent $9,937.02 for salaries, $7,901.17 for office expenses, $4,228.30 for travel expenses, and $1,670.05 for general expenses, making the total outlay for administration of the Blue Eagle pact $23,736.54.

Office expenses were broken down as follows: Rent, $1,419.50; equipment (net price) $725.86; equipment expenses, $30.15; telephone and telegraph $1,183.89; postage, $1,061.37; stationery, supplies, and maintenance, $1,536.04; printing and mimeographing, $1,686.73; subscriptions and periodicals, $257.63. The bulk of the general expenses went to auditors, who drew $1,535 for tedious job of checking accounts.

Travel expenses for Code Authority meetings aggregated $3,310.04, covering $1,615.04 for transportation and $1,695 for subsistence of members attending seven sessions. For attending various conferences, the bill aggregated $918.26, covering $478.66 for transportation and $439.60 for subsistence.

Aside from contributions, codists collected sundry amounts such as $300 for sale of office furniture and equipment, $18 for sales of code bulletin, and $14.36 for copies of hearings.

The detailed report sent to all industry members by Mr. Baldwin records every check drawn between Jan. 20, 1934, and June 29, 1935, giving the exact amount and the name of the payee. Statement also shows exact contribution for 1934 and 1935 of every industry member, along with the amount refunded and the number of the check.

X X X X X X X X

PHILCO AND RCA INTERESTED IN COAXIAL CABLE

It developed in the testimony of Dr. Frank B. Jewett, the American Telephone & Telegraph's research star, at the Federal Communications Commission hearing on the application of the telephone company to construct a coaxial cable between New York and Philadelphia, over which telephone messages, and telegraph and television could be transmitted simultaneously, that negotiations had been made between Philco and RCA for its use in television. Dr. Jewett said it was the only type of cable which could carry the new high fidelity television images now being produced in the laboratories of these concerns. He said, however, that no agreements had been reached between the A.T.&T., Philco and RCA in the matter. There would be no monopoly, Dr. Jewett added, the cable would be rented to anyone who has a television transmitter which met the standard requirements.

The hearing last Monday came to an abrupt conclusion when first the Western Union and later the Postal withdrew their opposition to the project. The telegraph companies were apprehensive that the new cable which is capable of carrying 2400 telegraph messages at the same time (as well as 240 telephone messages or 2 television programs) might be used to compete with the telephone business. They were assured by Dr. Jewett that the cable was purely experimental, whereupon the Western Union counsel withdrew their opposition saying his company did not desire to oppose progress. Postal counsel expressed the same opinion.

James W. Baldwin, new Managing Director of the National Association of Broadcasters, made his debut at the Telephone hearing by asking the Commission to watch its step in granting any television application. Evidently the new NAB executive regarded television as a competitor to broadcasting.

Because of the many dry hearings the Commission has to sit through the testimony of a brilliant scientist, such as Dr. Jewett, was apparently enjoyed by the Commissioners as well as the spectators. Dr. Jewett said that when not carrying the voice or Morse code, the pipes can transmit electrical transcriptions or television.

The coaxial pipes will carry a band of frequencies of at least one million cycles in the first of the experiments. They can be stepped up much higher through a series of repeaters that will be erected about every ten miles.

"Anybody who would oppose this experiment would be opposed to progress per se, or else have a grievance against the American Telephone and Telegraph Company", A. J. McBean, the company's counsel, told the Commissioners.

Dr. Jewett denied that the cable was conceived principally as a means of television transmission. He said it was plain that future expansion would tax the limit of existing wire facilities, and he urged permission to begin actual experiments.

He told of two previous improvements that were tried out in the laboratories with excellent results, but when put into field use caused widespread grief.

"We have reached the point where field trials are essential", he said. "The cable has met every test in the laboratory, but we will find many things wrong when we put it into actual service."

X X X X X X X X X X

WOULD CENSOR RADIO TALKS BY FOREIGN REPRESENTATIVES

The consent of the State Department would be required for anyone to speak on the radio in this country as a representative of or in the interest of a foreign government if bills which Senator Walsh, of Massachusetts, and Representative McKeough introduced in the House and Senate yesterday (Monday) are passed.

Senator Walsh and Representative McKeough said they and other members of Congress "have received from time to time criticism of broadcasts which were in the nature of propaganda by foreign countries in the interest of some activity in opposition to the fundamental political principles of the American Government."

They said there was "no desire" on their part to prevent any American citizen or American official from "exercising the widest latitude of free speech in their radio addresses or radio programs", but that agents of foreign governments should be censored.

X X X X X X X X

NAB DEFEATED ON COPYRIGHT; OTHERWISE O.K.

It seemed to be the opinion of those who had attended the Colorado Springs Convention of the National Association of Broadcasters that though the Association had failed to win its copyright fight with the American Society of Composers, that all danger of this causing a split in the Broadcasters' ranks was passed.

"The fact is that the Broadcasters were outsmarted on all fronts in copyright renewal by Claude Mills", one eminent broadcasting authority, just back from Colorado, observed, referring to E. C. Mills, General Manager of ASCAP, who, despite the efforts of the Association, successfully succeeded in splitting their ranks by making separate agreements with the networks, Ike Levy, of WCAU, Philadelphia, and "Hollywood" McCosker, of WOR.

Another thing to which the National Association of Broadcasters as an association, looked forward to with some apprehension was the organization of the independent broadcasters but the good political move of electing their President, Edward A. Allen, of WLVA, Lynchburg, to the office of Second Vice-President of the NAB evidently pacified this group to a certain extent.

Specific instructions were given when the newspaper-owned broadcasting stations organized themselves into a separate group at the Colorado Springs Convention and their committee, composed of Walter Damm, of WTMJ, Milwaukee Journal; Dean Fitzer, of WDAF, Kansas City Star; and Lambdin Kay, WSB, Atlantic Journal, devised a plan of activity which is in no way to conflict with the purposes and policies of the National Association of Broadcasters. It is expected that membership in the new group at the beginning is to be limited to members whose stations are owned 51% by newspapers but that later an affiliated group will be admitted.

The Legislative Committee report, with Henry A. Bellows as Chairman, commented on the small amount of legislation actually passed which directly affected broadcasting, but strongly urged a permanent body to properly meet the "inevitable" tendency to "restrict and handicap the conduct of broadcasting by State legislation," which Mr. Bellows feels is "bound to increase."

"It has always been recognized", he said, "that there is an inevitable conflict between censorship provision of the law and the Commission's established policy of interpreting 'public convenience, necessity and interest' broadly enough to include consideration of program service. The proposal of the Commission for a conference under its direction, on the subject of programs indicates a tendency to extend this interpretation still further. It may, therefore, be confidently expected that the issue of indirect government censorship of broadcasting will take a more

conspicuous place than ever before in the deliberations of the next session of Congress, and may even result in legislative action.

"Your committee holds no brief for any form of fraudulent or misleading advertising, and certainly none for advertising which may be injurious to health, but it urges very strongly on your association the importance of finding out where radio broadcasting is to be regulated as to its advertising by the same laws which apply to other media, or whether it is willing to admit that the FCC has the right to use its licensing power as a means of indirect censorship over radio programs . . . If an advertisement is illegal, the same methods which would prevent its publication in a newspaper ought to be adequate to prevent its being broadcast."

Mr. Bellows concluded pointedly on lack of organization in the radio industry by saying that differences among broadcast units is inevitable, "but if you are blind enough to let these differences destroy your fundamental unity, you may as well prepare yourselves for the complete destruction of your industry as such."

The following NAB Directors were elected at Colorado Springs for a three-year term:

Ed Craig, WSM, Nashville; Ralph Brunton, KJBS, San Francisco; Tom W. Symons, Jr., KFPY, Spokane; W. Wright Gedge, WMBC, Detroit; Gardner Cowles, Jr., KSO-KRNT, Des Moines, was named Director until the next convention by the Board of Directors to fill the remaining vacancy.

X X X X X X X X

SACRAMENTO STATION INCREASED FROM 100 TO 5000 WATTS

The Broadcast Division of the Communications Commission has entered its final order granting Station KFBK, of Sacramento, Calif., owned and operated by the James McClatchy Company, c change of frequency from 1310 to 1490, and an increased power from 100 watts to 5000 watts, unlimited time.

Following the hearing in this case last February, an Examiner's report recommended that the application be denied. Exceptions were filed by the Sacramento station and L. B. Wilson Co., Inc., owner of Station WCKY, at Covington, Ky., a respondent, the only station now assigned to the frequency of 1490 kc., requested an oral argument which was heard by the Commission last month.

It was noted that WCKY is 1965 miles from Sacramento, while the separation recommended by engineers as necessary to avoid objectionable interference is 1,600 miles. The Commission

found that the only station in Sacramento was KFBK, and the next nearest station was Stockton, 45 miles away operated during daytime only with 1000 watts power. It was found that Oakland and San Francisco probably render some service to rural sections around Sacramento during the day but is subject to fading and distortion at night.

Whereupon the Commission ruled that "Undoubtedly, on the record before us, the public interest, convenience and necessity of the people of the area to be served by the proposed increase in power of Station KFBK demands the granting of this application, and this can be accomplished without interfering in any way with the service of any existing station.

"Where, as in the case before us, we have a need for additional service clearly and affirmatively shown, in an area which includes the Capital City of a State which, as compared with the rest of the States in the Fifth Zone, is only slightly over-quota, and an applicant ready, willing and able to fulfill that need, we believe some further slight departure from mathematical exactness of assigned quota is justified."

Accordingly, the Commission entered the final order.

X X X X X X X X X X X

U.S. COMPILES WORLD RADIO STATISTICS

A multigraphed pamphlet, as a part of the Radio Markets series, a supplement to the statistical issue, has just been issued by the Bureau of Foreign and Domestic Commerce entitled "Radio Markets -- World Radio Set Statistics." There are given the estimated number of sets in use, sales, U.S. exports in 1934, total imports and domestic production.

It is explained that statistics are official counts in the few cases where such figures are available. No conclusions are drawn by the Bureau of Foreign and Domestic Commerce as to the number of sets in use in any country even though the U. S. 1934 exports are shown to be a greater figure than the total estimated in use.

It is also explained that official statistics and estimates on set production are rare and most of the important foreign manufacturing countries are not covered by available data.

Editor's Note:

A copy of this report may be obtained by writing to Mr. Lawrence D. Batson, Electrical Division, Bureau of Foreign and Domestic Commerce, Washington, D. C., or to the writer.

R.D.H.

X X X X X X X X

JAPAN MOVES FOR RADIO SUPREMACY

Besides its efforts to reach the United States and the other principal countries of the world with short-wave programs, Japan is engaged in a great program for the enlargement of radio in that country. In the near future the main Tokyo station is to be increased to a power of 150 kilowatts and other stations to 100 kilowatts, thus rivalling in range the largest stations in the world. At the present time, of the 25 stations, seven are rated at 10 kilowatts and 18 at from 3 kilowatts to 300 watts.

The extension program also includes the construction of a large building for each of the studios in Tokyo and Osaka, which will incorporate the latest type of broadcasting equipment selected after extensive research and which will equal any such similar installations in any part of the world. These two cities will thus continue to be the broadcasting centers of the Empire.

Large central broadcasting stations are located in the principal metropolitan centers of Tokyo, Osaka, Nagoya, Hiroshima, Kumamoto, Sendai and Sapporo. To supplement these main stations, 18 others have been established at important points throughout the nation.

Another indication of the phenomenal development of radio broadcasting in Japan is the fact that at the present time the Corporation has a total of over 2,000,000 officially listed subscribers. This total has been reached after gradual but steady growth, which bids fair to continue into the future.

Japan has exchanged international radio broadcasts up to the present time with the United States, Great Britain, Germany, France, Italy, the Netherlands and Switzerland. Thirty-nine of these broadcasts alone were exchanged during 1934.

X X X X X X X X X

C O R R E C T I O N

In the story, "Broadcasters Favor Government Pressing Copyright Suit", in the issue of July 12th, the second paragraph, 3rd line should read: "a continuation of the activities of Attorney General Cummings."

X X X X X X X X X

HOUSE SUB-COMMITTEE APPOINTED ON FOOD & DRUG BILL

Representative Sam Rayburn, of Texas, Chairman of the House Interstate and Foreign Commerce Committee, has appointed the following sub-committee to consider the Food & Drug Bill:

Representatives Virgil Chapman, of Kentucky; William P. Pole, of Maryland; Edward A. Kenney, of New Jersey; James Wolfenden, of Pennsylvania, and B. Carroll Reece, of Tennessee.

While this Bill is not on the "Must" list, it is understood that the President favors its passage. Therefore while every effort no doubt will be made by those interested to put the measure through, there is no degree of certainty as to whether it will become a law at the present session. It was passed by the Senate on May 28th without a dissenting vote.

X X X X X X X X

PROPRIETARY ASSOCIATION OFFERS SERVICES TO BROADCASTERS

Frank A. Blair, President of the Proprietary Association, has invited the broadcasters to cooperate with the Advisory Committee on Advertising of that Association in the control of statements regarding the therapeutic merit of products advertised on the air.

In making this offer Mr. Blair sent the following telegram to the National Association of Broadcasters:

"To help radio stations in deciding problems of advertising of package medicines, we offer the services of our Advisory Committee on Advertising and our Scientific Section. The former committee, aided by outstanding scientific experts familiar with problems of industry and requirements of the Government, has reviewed copy and continuities of all types of products in this field. The Scientific Section uses extensive laboratory facilities of our membership to determine technical issues involved in advertising. These resources are placed without charge or obligation at the disposal of your members."

X X X X X X X X X X

W.U. PROTESTS INTERLOCKING DIRECTORATE RULING

Newcomb Carlton, Chairman of the Board of Directors of the Western Union Telegraph Company and President of the Mexican Telegraph Company, and E. Y. Gallaher, Vice-President of the Western Union and Director and Vice-President of the Mexican Telegraph Company, petitioned the Federal Communications Commission last week to modify its decision prohibiting them from serving on the Boards of both companies.

In a recent ruling the Commission held that these two officers, together with eight others, could not serve adequately two different companies within the meaning of the Communications Act.

Roy B. White, President of Western Union, supported the petition and said that Western Union owned 60 per cent of Mexican Telegraph Company stock, International Telephone and Telegraph Company holding the remaining 40 per cent. He also said that the Mexican company would have to employ a President and Vice-President at extra cost, as the incumbents are serving with only nominal Director's fees.

X X X X X X X X

WAS IT A TYPOGRAPHICAL ERROR?

Considerable interest was occasioned when a Washington newspaper printed a list of guests at the party given to President Roosevelt at the Jefferson Island Club last Sunday, which paper said was attended by "Cabinet members, Senators, Government officials - and just Democrats." But the name of George H. Payne, Republican member of the Federal Communications Commission was listed. Even though Mr. Payne is known to be an excellent politician, a Bull Mooser under Theodore Roosevelt, and appointed to his present office by the Democratic President, Franklin D. Roosevelt, much surprise was created by the fact that Mr. Payne should be invited to this Democratic party to the apparent seclusion of the numerous deserving Democrats on the Commission.

Exactly what the answer is, deponent sayeth not.

Incidentally, Mr. Payne was listed as a member of the "Federal Trade Commission" which may have been another typographical error.

X X X X X X X X

INDUSTRY NOTES

Sol Taishoff, Associate Editor of Broadcasting Magazine, is on a two or three weeks' business trip to the Pacific Coast, following the Colorado NAB Convention.

Joseph J. King, a Rochester (N.Y. carpenter, filed a $50,000 damage suit against Walter Winchell, Broadway columnist, and the Andrew Jergens Company, of Cincinnati, sponsors of a radio broadcast featuring Winchell, in Rochester, July 9. The plaintiff alleges that Winchell repeated over the radio a slanderous story to the effect that the Rochester carpenter, while sitting on a limb of a tree, sawed the limb off, with the result that "the limb came down and so did King." The carpenter asserts that the story, which Winchell was said to have picked up from a "kidding" item in a newspaper, made him appear ridiculous to his friends.

Representative Sam Rayburn, of Texas, Chairman of the House Interstate Commerce Committee, submitted a favorable report of his Committee which would authorize the Federal Communications Commission to employ a Chief Accountant and not more than three assistants, to assist in the A. T. & T. investigation. Chairman Prall explained the provision had been omitted apparently by an oversight.

The vast library of copyrighted music represented by the American Society of Composers, Authors and Publishers and its European affiliates has been acquired by the principal broadcasting chains and many leading independent radio stations under a renewed license contract for five years from next January 1st, according to a statement by the American Society of Composers, "and listeners-in are assured of the continued use of the best classical and popular music. No increase in royalty rates has been made except for the sustaining programs of certain key stations of the larger chains.

"Available to these stations, as well as to the theatres, hotels, cabarets, restaurants, summer resorts, and other commercial users of music are the performing rights to the compositions of more than 1,100 leading American writers and about 45,000 European composers and authors."

X X X X X X X X X

NEW ST. NAZAIRE RADIO STATION

The French Post Office has just inaugurated a new radio transmitting and receiving station at St. Nazaire for communication with ships. It will replace the service now conducted by Radio Havre. When the station is completed, in about 2 years, it will be of the multiplex type, sending and receiving simultaneously on several wavelengths, according to the Electrical Review of London. For the present the service will normally operate on a wavelength of 2,439 meters and will use 2,100 meters between the thirtieth and thirty-fifth minutes after each even hour. Radio telegrams are to be sent on 2,884.6 meters. The transmitting and receiving stations are about 18 miles apart and are connected by an underground cable. The normal power furnished to each antenna of the transmitting equipment at Severac is 15 k.w. A short-wave telegraph transmitter is being installed at Severac which will develop a power of from 15 to 20 k.w. Reception will be by two 20-valve short-wave sets. This work is to be completed during the present year, and the installation of sets permitting bilateral radiotelephone communication is expected to be done some time next year. The receiving station is at Donges.

X X X X X X X X X X

TALK-BACK SYSTEM BEING INSTALLED AT WOR

The WOR Engineering Department, under Jack Poppele, Chief Engineer, and Ray Lyon, Development Engineer, is at present installing new talk-back facilities in the studios and studio control rooms.

An attention bell is to be placed in the studios to notify performers they are about to go on the air or that rehearsals are about to resume. In conjunction with this feature a red light is being installed to work alternately with the bell, so that an orchestra or singer who might be performing will be notified of time by an announcer or production man.

X X X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL—Not for Publication

INDEX TO ISSUE OF JULY 19, 1935

No. 844

BROADCAST PROGRAMS NOW AVAILABLE TO 193 MILLIONS

At the end of 1934 there were, roughly, 48,300,000 radio receiving sets in homes throughout the world, thereby making the broadcast programs available to 193,000,000 people, according to A. R. Burrows, Director, International Broadcasting Office, Geneva. Mr. Burrows figures there is now a global potential audience of 200,000,000 persons to the world's broadcasting stations.

The Geneva table credits the United States with 20,750,000 sets (not including 2,000,000 sets installed in automobiles). According to the Geneva figures we lead the world with about three times as many sets as either Great Britain or Germany which are second and third respectively, each having approximately 6,000,000 licensed sets.

The United States also is first in the number of sets per 1,000 population, with Denmark secone, and Great Britain third. Russia with a population of 168,000,000 has only 13.8 sets per 1,000 population. However, French Indo-China with a population of 22,107,000, with only 966 sets, was lowest of any country in the world.

Comments upon the compilation of the International Broadcasting Office in a statement of the British Broadcasting Company says:

"Great Britain and Northern Ireland had, on December 31 last, first position in the world in respect to the total number of licensed receiving sets, though the United States of America stillholds first place on estimated returns, and also for the relation of receiving sets to the population."

The Geneva table follows, in part:

Country	Number of Sets	Number of Sets Per Population(1000)
U. S. A.	20,750,000	162.2
Denmark	568,175	160.0
Great Britain	6,780,569	147.2
Sweden	733,190	118.0
Holland	909,127	108.8
Australia	681,634	101.8
New Zealand	148,284	95.5
Germany	6,142,921	94.2
Switzerland	356,866	87.7
Canada	813,000	78.5
Austria	527,295	78.0
Belgium	603,860	73.5

Country	Number of Sets	Number of Sets Per 1000 Population
Norway	157,434	54.8
Union of S.A.	98,562	53.9
Czecho-Slovakia	693,694	47.1
France	1,755,946	41.9
Argentine	500,000	41.5
Japan	1,951,858	21.5
Ireland	60,000	20.0
U.S.S.R.	2,323,000	13.8
Italy	430,000	10.0
Newfoundland	2,632	9.9
Spain	213,004	8.9
Palestine	5,900	5.7
Hong Kong	4,201	4.9
Yugoslavia	66,530	4.7
Portugal	27,895	4.0
Siam	24,202	2.0
Honduras	1,500	1.7
Egypt	25,170	1.7
Malaya	2,526	0.8
Ceylon	2,342	0.5
Kenya	1,152	0.3
Dutch East Indies	17,950	0.2
Madagascar	269	0.07
India	16,250	0.05
French Indo-China	966	0.04

X X X X X X X X

STATION FEES BEING STUDIED BY FCC

It was denied at the Federal Communications Commission that an amendment to the Radio Act calling for the imposition of a tax on the wavelength assignments of commercial stations will be submitted to Congress for consideration as soon as the Communications Commission has developed a satisfactory scale of fees.

It was said at the Commission that while the question of taxing broadcasting stations was being studied that no decision had been reached as to whether or not the Commission would advocate to Congress that a license fee be charged to the stations.

"We are simply making a careful study of the situation", a high official of the Commission said, "so as to be ready if Congress should ask our opinion on this or if the Commission itself should decide to make any recommendations with regard to what it would consider a proper fee of stations taxed.

"You will remember sometime ago we got up a report for Senator Dill during the existence of the old Federal Radio Commission and the work we are doing now is simply bringing these figures up-to-date to be used when, if, or as needed."

X X X X X X X X

WOULD PUT A CRIMP IN PROPAGANDA BROADCASTS

Much sentiment is apparent favoring the passages of the identical bills which Senator Walsh, of Massachusetts, and Representative McKeough, of Illinois, introduced this week which would require the approval of the State Department on all speeches broadcast from stations in the United States by representatives of foreign governments. Should Congress remain in session long enough, there is just a chance that they may go through this session.

The full text of these bills follows:

"That the Communications Act be amended so that any radio address or radio program broadcast by or for or in the interest of any foreign government, or subdivision thereof, or person interested therein shall not be broadcast by any licensee until such radio address or radio program has been submitted to the Department of State and the approval of the Secretary of State has been secured in writing and is filed with such licensee. Any licensee permitting the broadcasting of any radio address or radio program by or for or in the interest of any foreign government, or subdivision thereof, or any person interested therein, without having on file, prior to such broadcast, the written approval of the Secretary of State, shall be penalized by the immediate revocation of such license."

X X X X X X X X

CALDWELL LEAVES MC GRAW-HILL TO START RADIO MAGAZINE

O. H. Caldwell, formerly Federal Radio Commissioner, along with M. Clements, founders of the McGraw-Hill radio magazines, "Radio Retailing" and "Electronics", have left the McGraw Hill Company to found a radio magazine of their own which will be called "Radio Today". In doing this, they will take with them many of the contributors to the McGraw-Hill radio publications, including John F. Rider, William Alley, Dr. F. S. Irby, R. R. Irwin, and J. W. Howe.

Mr. Caldwell said that the new magazine, "Radio Today", which has offices at 613 Grand Central Palace in New York, will bring to all groups in radio,--dealers, distributors, manufacturers, service men, and broadcasters,--the terse and complete news of the radio business, radio developments, broadcasting, television, facsimile, and the new electronic services being built around the radio tube.

"'Radio Today'", Mr. Caldwell concluded, "is designed to become this central industry organ of radio, serving as a clearing house for all information of importance to all the diversified business groups and workers who now supply the American public with broadcasting, radio sets, and radio service,--the men who will undoubtedly handle the new services of television and facsimile when these are ready for the public."

X X X X X X X X X X

N.Y. POLICE COMMISSIONER PRAISES BOSTON TWO-WAY POLICE RADIO

Police Commissioner Lewis J. Valentine of New York City, Chief Inspector John J. Seery and other New York officials gave high praise to the Boston police two-way radio communication system during a tour of inspection at the Boston headquarters this week.

The New York Commissioner while riding in the radio car in Boston expressed the desire "to talk with New York." In less time than it would take to make an ordinary telephone call, Valentine was talking with one of his secretaries in his New York office.

Speaking of his Boston experience with two-way radio, which was developed by General Electric engineers in Schenectady, he said: "It is one of the marvels of the age. It is the most astounding experience I have ever had. I'm going to thoroughly look into this two-way radio system when I get back. We haven't anything like it in New York."

Commissioner Valentine said he would send Chief Inspector Seery to Boston for a 10-day study of the two-way communication system.

X X X X X X X X X X

NAB SETS NEW CONVENTION ATTENDANCE RECORD

According to official figures submitted by James W. Baldwin, the new Managing Director of the National Association of Broadcasters, the 13th Annual Convention of the Association held at Colorado Springs recently was the largest convention in the history of the Association. The total registration was 485 as compared to 375 at the Cincinnati convention last year which up to that time was a record.

X X X X X X X X

COMPOSERS WAR ON DUFFY COPYRIGHT BILL

The American Society of Composers is making a hot fight against the Duffy Copyright Bill which eliminates the $250 minimum damages for copyright infringements which bill is endorsed by the National Association of Broadcasters. Gene Buck, the President of the ASCAP has addressed the following telegram to Senator William E. Borah, of Idaho:

> "Dear Senator: Every author, composer, playwright, dramatist, and writer in Nation is opposed to United States Senate bill S.3047. This bill revises entire Copyright Act, to detriment of American creative workers, and for benefit of users, such as broadcasters and other allied industries. It gives to foreign composers and playwrights rights denied American creative workers. Authors' League of America, American Society of Composers, Authors, and Publishers, Dramatists' Guild, Song Writers' Protective Association, and all other societies and organizations of creative workers of America are unanimously opposed to this legislation."

The following telegram was sent to Senator Wagner, of New York, by John Erskine, the well-known author:

> "Senator Wagner: I sincerely hope you will oppose copyright bill S. 3047. The bill gives foreign authors basic copyright without formality, but denies it to American authors. The bill seems to protect chiefly the commercial enterprises which live on the authors."

Senator Wagner also received telegrams protesting against the passage of the Duffy Bill from the following songwriters: Lew Brown, formerly DeSylva, Brown and Henderson, Gus Edwards, and Irving Berlin.

X X X X X X X X

CZECHOSLOVAKIA RADIO PRODUCERS FORM A CARTEL

The 14 largest Czechoslovak producers of radio receiving sets recently formed a cartel valid as of July 1, 1935, for a period of one year, Acting Commercial Attache Basil D. Dahl, of Prague, advises the Commerce Department. The cartel agreement covers production as well as prices and discounts granted to dealers. The Radiotechna and the local Philips branch, which represent the local Patent Pool, are members of this cartel and grant to other members considerable reductions on license fees and on prices of radio tubes. These 2 members of the Patent Pool are the only producers of tubes in Czechoslovakia.

X X X X X X X X

WOULD CLOSE KANSAS STATION FOR BRINKLEY TALKS

If the recommendation of Commissioner Thad H. Brown, of the Federal Communications is followed, Station KFBI, of Abilene, Kansas, operated by The Farmers and Bankers Life Insurance Co., will be closed down for broadcasting a program of Dr. J. R. Brinkley and transmitting these programs to Station XEPN, Piedras Negras, Coahuila, Mexico, in violation of the newly enacted clause of the Radio Act which forbids programs originating in the United States to be transferred to foreign radio stations.

Station KFBI is the successor to Station KFKB, the station once owned and operated by Brinkley, but put off the air by the Radio Commission because of "monkey gland" and other objectionable medical broadcasts. It is a station of considerable size, 5000 watts power, operating on a frequency of 1050 kc. limited time.

According to evidence submitted by Mr. Brown, the licensee of the station has suffered a deficit of from $45,000 to $50,000 a year, with approximately $6,000 received from the Brinkley account during 1934 when the deficit was only $16,500. This account was characterized by the station manager as the most remunerative carried on the station.

There was a contract arranged October 1, 1934, by Howard K. Wilson, agent, and K. W. Pyle, director of KFBI, for the broadcasting of programs for the Brinkley hospital, Del Rio, Texas, over KFBI, daily except Sunday, "Till Forbidden." The series of broadcasts was started October 6, 1934, with fifteen-minute lectures daily, read by a Harry Peck.

Commissioner Brown reported that the following telegram had been dispatched by Brinkley to KFBI:

"PYLE RADIO STATION
KFBI ABILENE KANS

PLEASE WIRE RADIO STATION XEPN PIEDRAS NEGRAS COAHUILA MEXICO STATING THAT DR J R BRINKLEY IS BROADCASTING ONE HOUR DAILY OVER YOUR STATION STOP ADVISE THEM THE HOUR OF BROADCAST AND ALSO THAT MORE TIME IS AVAILABLE TO ME IF I WANT IT STOP THE REASON FOR THIS REQUEST IS THE MEXICAN STATION SAYS THEY CAN BROADCAST ANYTHING THAT IS BEING BROADCASTED IN UNITED STATES"

The manager of KFBI made the following telegraphic reply:

"RADIO STATION XEPN
PIEDRAS NEGRAS COAHUILA MEXICO

DR J R BRINKLEY IS CARRYING ONE HOUR OF PROGRAM OVER KFBI FIVE THIRTY TO SIX THIRTY AM AND WE ARE REARRANGING OUR SCHEDULE TO CLEAR MORE TIME FOR HIM
K W PYLE, DIRECTOR KFBI"

"There is no question in view of the evidence but that both Dr. Brinkley and certain of his agents did broadcast over Station XEPN, Mexico, from studios in Eagle Pass, Texas. They were seen and heard making such broadcasts in January, 1935, by witnesses who testified in this proceeding. It is a matter of record that no license or other authorization for such studio or broadcasts has been issued by the Commission", Commissioner Brown said.

"The broadcasts of one 'Omar' were carried by station KFBI from March 25, 1933, to May 14, 1933. He offered membership in the Omar Club and an Omar Birth Chart for the price of $1.00 and also two books on 'How to Make Use of the Subconscious Mind' and 'Omar's Wonder Ritual.' The announcement of the program carried the statement that Station KFBI fully guarantees it. 'Omar' and the station participated equally in the division of the income from the programs.

"The programs from one styling himself as 'Koran' were presented over Station KFBI from June 7 to August 12, 1934, during which time 6,198 pieces of mail were received. 'Koran' answered questions relating to problems of domestic life, love, employment, buying and selling property, vocations, etc. In connection with this program he offered for sale a character analysis for $1.00.

"There is no scientific basis for such material as was presented on these so-called astological programs. Sales of the publications of these individuals operating under the name of 'Koran' and 'Omar' have all the elements of fraud. It is to be noted that it was 'Koran's' difficulties with the Post Office Department that led to the discontinuance of this radio program at KFBI."

In conclusion recommending that the application for the renewal of the license of the Station KFBI be denied, he said:

"It must be noted that the character of the four programs, including those of Dr. Brinkley, 'Koran', 'Omar', and Dr. Ford reducing tea, are definitely not of a type that serve public interest, convenience and necessity. The Brinkley program in particular has been found on previous occasions not to be in the public interest by the Federal Radio Commission and the Commission was sustained in this action by the Court of Appeals of the District of Columbia. The applicant, as successor to KFKB Broadcasting Association, Inc. had ample notice of these findings. Any one of these programs is objectionable in itself and collectively they present strong evidence that they are not in the public interest. The licensee has been derelict in the performance of the trust imposed upon it by the licensing authority in turning over the complete control and management of the station together with the formulation of its broadcast policy to the station manager. It must also be noted that there is already abundant broadcast service available at Abilene, Kans, so that if the renewal of this license were to be denied by the Commission, the service of radio listeners in this area would not be unduly curtailed."

X X X X X X X X

LISTENER BUREAU COMMITTEE NAMED

President Leo J. Fitzpatrick of the National Association of Broadcasters, has named, with the approval of the Board of Directors, the following committee to continue the work of the Association with regard to the possible establishment of a cooperative bureau of listener data and similar information to be maintained jointly by the broadcasters, advertisers and advertising agencies: Arthur B. Church, Chairman, Edgar Kobak, J. O. Maland, H. K. Boice, and A. J. McCosker.

J. V. L. Hogan, consulting radio engineer has been appointed an advisory member of the Committee on Engineering matters. Dr. Herman S. Hettinger, NAB Research Director and University of Pennsylvania faculty member, will continue to advise the Committee on Research and similar matters.

X X X X X X X X X X

A NEW STATION FOR BAGDAD - MAYBE

Construction of a broadcasting station in Bagdad is now under consideration by the local authorities, it is pointed out. Two radio operators have been sent to England and the United States at the expense of the Government to qualify as radio engineers. It is understood that the station will be constructed as soon as the required funds become available, the report states.

The factors that have stimulated the demand for radio sets in Iraq, the report states, have been the opening of the Cairo broadcasting station last year and the broadcasting in Arabic from an Italian station.

X X X X X X X X

NORMAN BAKER NAILED IN IOWA

Norman C. Baker, one-time operator of KTNT, at Muscatine, Ia., and also operator of XENT in Mexico promoting a cure for cancer, ran afoul of the law when he ventured back to Muscatine to address several friends and former patients.

State has sought Baker since 1931, when he was indicted on charges of conspiracy to practice medicine without a license. The then Federal Radio Commission buttoned up his station in 1931. Since then he has been operating out of Mexico but has been angling for a spot in Muscatine or elsewhere in the States. His trial is scheduled to come up at an early date.

X X X X X X X X

INDUSTRY NOTES

Examiner Ralph Walker of the Federal Communications Commission has recommended that the application of KTFI, Radio Broadcasting Corporation, of Twin Falls, Idaho, for a change of frequency from 1240 to 630 kc. be granted. This would give the station its same operating power of 500 watts at night and 1000 watts in the daytime, it now having the latter experimentally on the 1240 kc. frequency.

Jack R. Poppele, WOR's Chief Engineer set today (July 19) as "Radio Engineers Day at WOR". All of the technical executives of radio stations in the Metropolitan district were invited to visit WOR's new 50,000-watt high fidelity transmitter at Carteret, N. J., to inspect the several new features that are incorporated in the plant.

The General Electric Company received orders of $104,542,946 in the first six months of 1935, compared with $92,154,642 in the 1934 period. Gerard Swope, President, announced. Sales billed amounted to $94,546,274 against $80,983,094.

Profit available for dividends on the common stock for the six months was $11,541,429, compared with $8,175,557 a year before, equal to 40 cents a share, against 28 cents a share, on 28,845,927 shares outstanding in both periods.

An unfavorable recommendation was made by Commission examiner on the application of Carl C. Struble, of The Dalles, Oregon, to operate a new 100 watt station on 1200 kc. frequency.

Highlights of the RCA Manufacturing Co., Inc., convention held in Atlantic City yesterday and today, July 18 and 19, were discussed by John B. Kennedy, NBC commentator, and Ray F. Sooy, Superintendent of the Recording Division, RCA-Victor, in a special broadcast from Atlantic City over an NBC-WJZ Network last night,(July 18).

In the broadcast Kennedy gave a "Preview of Radio Art For The Coming Year" and related with Sooy, the development of sound reproduction from the days of early phonograph recordings to the present day.

David Sarnoff, President of RCA, and E. T. Cunningham, President of the RCA Manufacturing Co., Inc. addressed the RCA distributors during a meeting of the convention today.

X X X X X X X X

RCA HAS DIRECT ETHIOPIAN CONNECTION

Presumably as a result of the increasing attention centering on Ethiopia, RCA. Communications, Inc., International radiotelegraph unit of Radio Corporation of America, was notified by Cable and Wireless, Ltd., of London, its British associate, that a direct radiotelegraph circuit had been established between London and Addis Ababa, the Ethiopian capital.

The new circuit eliminates the necessity of a relay through a radio station at Cairo, which has previously been in effect. It will mean a saving of time, especially if a rush of telegraphic correspondence should come. Radiotelegraph messages to Ethiopia from the Central Radio Office of R.C.A. Communications at 64 Broad Street, New York City, go direct to the central radio office in London, and from the same office will be flashed straight to Ethiopia's capital. The same direct route is to be used in handling radiotelegraph messages from Addis Ababa to the United States.

X X X X X X X X

CONTRACTS SIGNED BETWEEN MUTUAL AND CKLW

Station CKLW will become the Detroit-Windsor outlet for the Mutual Broadcasting System on September 29, W. E. Macfarlane announced that the contract between the Mutual group and the Western Ontario Broadcasting Company, which operates CKLW, was signed Tuesday, July 16, by Malcolm Campbell, President of the Canadian organization.

CKLW replaces WXYZ as the Detroit-Windsor outlet for the Mutual Broadcasting System. The new affiliate operates on 5,000-watts power on a clear channel of 1030 kilocycles and is licensed by the Canadian Radio Commission. As a result of the replacement CKLW will, after that date, act as contact point for exchange programs between the Mutual network and the Canadian Radio Commission's coast-to-coast network, in addition to acting as the outlet in the Detroit territory for Mutual.

X X X X X X X

APPLICATIONS GRANTED BY BROADCAST DIVISION OF FCC

WOR, Bamberger Broadcasting Service, Inc., Newark, N.J., C.P. to use present transmitter as auxiliary and move it from Kearny to Carteret, N.J.; WJAX, City of Jacksonville, Jacksonville, Fla., Mod. of CP approving transmitter site and extending commencement date to 30 days after grant and completion date to 90 days thereafter; KGBX, KGBX, Inc., Springfield, Mo., Modification of special authorization to make changes in equipment; KABC, Alamo Broadcasting Co., San Antonio, Tex., CP to make changes in equipment and increase day power from 100 to 250 watts; WNAX, The House of Gurney, Inc., Yankton, S.D., Modification of CP extending commencement date to Aug. 18, 1935, and completion date to Dec. 18, 1935; WPFB, Otis Perry Eure, Hattiesburg, Miss., Voluntary Assignment of license from Otis Perry Eure to Forrest Broadcasting Co.; WSPD, Toledo Broadcasting Co., Toledo, Ohio, Modification of CP to extend completion date from August 1 to October 1, 1935.

Also, WGH, Hampton Roads Broadcasting Corp., Newport News, Va., license to cover CP for new station; frequency 1310 kc., 100 w. night, 250 w. day, unlimited time; KIUJ, J. H. Speck, Santa Fe, New Mexico, assignment of license from J. H. Speck to W. C. Irvin; WNBC, William J. Sanders, New Britain, Conn., license to cover CP for new station, frequency 1380 kc., 250 watts, daytime; WSVA, Shenandoah Valley Broadcasting Corporation, Harrisonburg, Va., license to cover CP, 550 kc., 500 watts, daytime; KFAB, KFAB Broadcasting Co., Lincoln, Neb., license to cover CP covering installation of new equipment and increase in power from 5 to 10 KW; 770 kc., Simultaneously - day, WBBM; S-WBBM, night, Syn. WBBM LS to midnight; KAST, Abraham Shapiro, Astoria, Ore., license to cover CP for new station, 1370 kc., 100 watts, daytime; National Broadcasting Co., Inc., New York City, authority to use studio for production of programs to Canadian radio stations.

Also, KIUP, C. Guy Shepard, Durango, Colo., involuntary assignment of CP from LeRoy Haley to C. Guy Shepard; New, G. L. Burns, Brady, Texas, amended CP for new station to operate on 1500 kc., 100 watts, daytime, and application dismissed from hearing docket; WLW, The Crosley Radio Corp., Cincinnati, Ohio, modification of special temporary experimental authorization to operate with 500 KW at night and conventional antenna for a period of 30 days.

Also, National Broadcasting Co., Inc., Portable-Mobile, license to cover CP for broadcast pickup station, exp. basis, freqs. 31100, 34600, 37600, and 40600 kc., 25 watts, for period ending Oct. 1, 1936; W3XDD, Bell Tel. Labs., Inc., New York City, renewal of license for a period of 90 days from July 29, 1935.

X X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL—Not for Publication

INDEX TO ISSUE OF JULY 23, 1935.

No. 845

July 23, 1935.

PACIFIC COAST PRESS-RADIO BUREAU TO SUSPEND

After sixteen months of service, the Coast Press-Radio Bureau in Los Angeles will cease to function August 1st. Announcements to this effect are being sent to the Bureau's 45 subscribers by W. R. Gordon, who organized the Western Bureau in March, 1934, and has served as its editor since then.

Although it has operated continuously at a loss, with the deficit made up by the publishers, the Bureau has enjoyed the confidence of station operators and the public, inquiry in Los Angeles indicated, the Editor & Publisher said.

The following telegram was received by that publication from E. H. Harris, Chairman of the Publishers' National Radio Committee: "The closing of the Pacific Coast Press-Radio Bureau cannot affect the operation of the New York Press-Radio Bureau. The New York bureau will continue to operate so long as the two chains and the independents now supporting the bureau want it to continue. Both chains have indicated that they favor continuing the Press-Radio Bureau and are willing to finance its operation."

Last September it reached its peak with 65 subscribing stations. Since then - partly due to high wire tolls and more particularly since the announcements of the United Press and International News Service at the A.N.P.A. convention that these services, while continuing to cooperate with the Press-Radio Bureau, would offer their report direct to stations and permit commercial sponsorship - about a third of the stations have withdrawn. Publishers, feeling that the need of the Bureau no longer exists, say they do not feel that they should continue to make up the difference between the cost of its operation and the revenue derived from the $12.50 monthly charge for which the service is sold.

With the discontinuance of the Bureau, program listings of KNX, Los Angeles, which were dropped from several local papers last year, probably will be returned. KNX was the standout station locally in refusing to subscribe to the Press-Radio service. Up to the formation of the bureau, KNX took the United Press report, but with cancellation of its contract by the U.P. when the Bureau began to function, it switched to Transradio.

KNX has now signed a new contract with the U.P. starting January 1st on expiration of its present Transradio contract.

W. R. Gordon, editor of the Los Angeles Press-Radio Bureau has accepted a position with the United Press and H. H. Hammer, also of the Bureau, goes to the International News.

The International News Service is now providing WBBM, Chicago, Columbia Broadcasting System outlet, with a full leased wire news report.

Ralph Atlass, Manager of WJJD, local independent station and WIND, Gary, Ind., effective August 30 will receive the full I.N.S. report. At present the stations are receiving Transradio.

X X X X X X X X

RECOMMENDS AGAINST KSTP FOR MINNEAPOLIS STATION

If the recommendation of Melvin H. Dalberg, Examiner of the Federal Communications Commission is followed, the National Battery Broadcasting Co., operaters of Station KSTP, St. Paul, will not be able to gobble up the 100 watt license for a station to be erected in Minneapolis, as evidently that company had anticipated. Instead Examiner Dalberg would give it to Edward Hoffman, who conducts a retail furniture installment business in St. Paul, and also in Fargo, N. D. Tentative arrangements have been made by Mr. Hoffman, if he secures the permit, to erect this new 100 watt station on 1370 kc., to locate the station in St. Paul.

According to his testimony, he holds bonds and securities which can be converted into cash instantly, approximately in the sum of $20,000 which would be available for the proposed station. It is stated that the station would cost in the neighborhood of $14,000 and the sum of $6,000 additional is available should the station not prove profitable during the first year. Applicant proposes that seven employees will be used in the operation of the station and testified that he would personally supervise and direct the same. He estimates the monthly cost of operation as between $1200 and $1500.

According to evidence submitted, KSTP, of St. Paul, has assets of $203,917.32, liabilities of $19,296.92, and claims to have a net worth of $184,624.40. KSTP has set aside $25,000 for the cost of construction and the initial operation of the proposed new station in Minneapolis.

X X X X X X X X X

CANADA TO REBROADCAST FOREIGN PROGRAMS

Final tests are now being made of the Canadian Radio Commission's new station at Ottawa to be used for bringing in programs by short-wave from Great Britain, France, Germany and other countries, and giving them to the Commission's networks covering Canada from coast to coast. This additional service will be inaugurated very soon, and overseas programs will be fed to the networks daily.

During the past eighteen months the Canadian Commission has been exchanging selected programs with the big networks of the United States, and now choice programs from overseas will be made available to Canadians. Hitherto, overseas programs brought in by the Commission have come by way of the trans-Atlantic radio telephone system. Through the new station near Ottawa they will be picked up by the Commission itself.

The short wave receiving equipment of this station is the latest development of the Canadian Marconi Company. The nature of this equipment and the location of the station and the quality of the soil on which it is built ensure practically perfect short-wave reception at all times. It is not subject to interference, fading and other interruptions experienced by listeners using ordinary short-wave receivers.

As the programs are received from overseas, they will be carried by special wires to the Commission studios in the Chateau Laurier in Ottawa, from where they will go to the networks. As the best British and European programs are usually broadcast in the evening hours overseas which are daytime hours here, the Commission will reproduce the programs by its blattnerphone equipment in order that they may be given to Canadians during the evening hours when most people are able to listen and when the Commission networks are in operation. The Commission's blattnerphone apparatus is the only reproducing equipment of its kind on this side of the Atlantic. Identical apparatus is used extensively by the British Broadcasting Corporation.

X X X X X X X X X X

NAB AND RMA COOPERATE IN RADIO AWARDS

Cooperation between the NAB and RMA in the setting up of annual awards in broadcasting similar to the Pulitzer prizes in the publication field was instituted when President Leo J. Fitzpatrick at the Association's Convention at Colorado Springs was authorized by the Board of Directors to appoint a committee of three to represent the NAB in working out plans with a similar committee from the RMA. The resolution calling for the appointment of the committee followed an invitation to cooperate in the creation of awards extended by Bond Geddes, Executive Vice-President of the RMA. The committee will be appointed soon.

X X X X X X X X

CUBAN IMPORTS OF RADIO SETS SHOW DECLINE IN JUNE

Cuban imports of radio receiving sets registered a decline in June compared with the preceding month and with the same month of 1934, according to a report from Assistant Trade Commissioner K. Molesworth, Habana.

Receipts of radio receiving sets through the port of Habana, the report shows, totaled 1,535 units in June 1935, compared with 1,639 units in May and 1,898 units in June 1934. However, it is pointed out, Cuban radio importations have held up extremely well this year, the total for the first five months being 11,007 units compared with 5,903 units in the corresponding period of 1934, so that the decrease in June is considered to be due to adequate stocks in the country rather than to any actual decline in demand.

The only non-American makes of radios imported into the Cuban market in the month under review were 7 units of the Dutch Phillips radio compared with 2 units in May and 17 in April. From January 1, 1935 through June 30, the total imports of Phillips radios amounted to only 55 units, the report states.

The total value of the 1,535 units imported in June was $32,465, and approximately 40 different makes were represented. Six outstanding American makes of radio apparatus accounted for 1,009 units, or approximately 65 per cent of the total Cuban imports, the report shows.

X X X X X X X

COMPOSERS APPOINT PRESS REPRESENTATIVE

Joseph R. Fliesler has been appointed to act as press contact for the American Society of Composers, Authors and Publishers and will cooperate with representatives of the press in securing whatever information they may require which the Society has available.

While Mr. Fliesler is not expressly authorized to speak for the Society or any of its members, according to E. C. Mills, General Manager of ASCAP, his services may be had in contacting any of these and securing official statements.

X X X X X X X X X X

CALL WESTERN UNION FOR S.F. RADIO SERVICE

An organization known as the Radio Manufacturers' Service in San Francisco and the Western Union Telegraph Company in that city have entered into an agreement to provide a quick reliable service forradio owners whose sets may need adjusting or repair, it was announced.

The arrangement enables radio owners to obtain radio servicemen by simply telephoning Western Union. No charge is made for this contact service.

"The Radio Manufacturers Service, created by the Philco Radio & Television Corporation, Philadelphia is", according to an explanation of the service issued in San Francisco, "a nationwide organization of trained, experienced and properly equipped servicemen who are helping radio owners everywhere obtain maximum performance from their sets.

"Their training includes courses from technical books prepared by radio engineers covering all types of installation and service problems on all sets. Their ability to perform their work satisfactorily is guaranteed by endorsement of Philco distributors who pass on their qualifications before they are admitted to membership in the Radio Manufacturers Service. There are 13,000 of these service men in the United States. They are identified by their Radio Manufacturers Service membership cards."

X X X X X X X X X X

NAB CREATES NEW MEMBERSHIP CLASS

A new class of membership, known as Associate Membership has been established by the National Association of Broadcasters.

Under the new plan, active membership will be restricted to persons or corporations engaged in the operation of radio stations. Other individuals or corporations associated with radio broadcasting and wishing to become members of the Association will be eligible to make application for associate membership.

Annual dues of associate members will be $250 annually, payable quarterly in advance. Only active members are entitled to voting power in the association.

X X X X X X X

WOULD RENEW LOS ANGELES LICENSES IF MEDICAL ADS OFF

If they will keep clear of objectionable medical and other advertising, about which complaints have been made, Commissioner Thad Brown, after a hearing in that city, has recommended the renewal of the licenses of a group of stations in Los Angeles or vicinity, which were called on the carpet by the Federal Communications Commission.

They were KGFJ, Los Angeles; KFWB, in Hollywood, owned by the Warner Brothers; KMPC, Beverly Hills, KRKD, Los Angeles, and KIEV, Glendale. KFWB also had asked to increase its power from 2500 watts daytime to 5,000 watts.

In recommending that all these stations be allowed to continue, Mr. Brown reached the following conclusions:

The evidence relating to the application of Ben S. McGlashan (KGFJ) for renewal license discloses broadcasts of programs relating to the Alhambra Electronic Institute and a failure to make certain entries in the log book with reference to political broadcasts. The general service of the station is shown to be of acceptable quality and of local public interest. The applicant has shown a disposition to examine advertising copy more thoroughly hereafter with a view to preventing a possible repetition of such broadcasts as those of the Alhambra Electronic Institute. It is also shown that the applicant has corrected its method of keeping the station log so as to comply more strictly with the regulations of the Commission.

The evidence relating to the applications of Warner Brothers Broadcasting Corporation (KFWB) for renewal license and construction permit, discloses broadcasts of programs relating to the Alhambra Electronic Institute. These broadcasts were carried for an extremely brief period, being terminated voluntarily when the character of the programs became evident. A high type of regional service is broadcast by this station. The increased power applied for will, if granted, improve and extend the service without causing any objectionable interference to other stations.

The evidence relating to the application of the Beverly Hills Broadcasting Corporation (KMPC) for renewal license discloses broadcasts of programs relating to the Alhambra Electronic Institute, certain frequency deviations and a failure to make certain entries in the log book with reference to political broadcasts. Also, an operating agreement of doubtful legality was disclosed at the hearing. The Electronic program has been discontinued, and the character of the general service of the station together with the attitude of the applicant affords substantial assurance that there will be no further broadcasts of programs of such doubtful character. It was shown that the question of frequency deviations had been adjusted prior to the

hearing to the satisfaction of the Commission. Omissions in reference to the station log have been corrected. The operating agreement has been terminated and it now appears that the licensee is in active control.

The evidence relating to the applications of Cannon System, Ltd. (KIEV) for renewal license and modification of construction permit, discloses broadcasts of programs relating to the Alhambra Electronic Institute. These programs were carried but a brief period and have not been on the station since June 10, 1934. The evidence shows adequate reasons for applicant's failure to complete construction heretofore authorized within the specified time. An acceptable local program service in the Glendale area is supplied by this station.

The evidence relating to the application of Radio Broadcasters, Inc. (KRKD) for renewal license discloses broadcasts of programs relating to the Alhambra Electronic Institute. It is shown that the station broadcasts a high quality program service and that it is not the policy of the station to accept broadcasts of such doubtful merit.

The Alhambra Institute referred to is alleged to have a device with the aid of which it was claimed the cause of any ailment could be diagnosed and if the Institute failed in that, they would refund $1,000 in cash. To induce listeners to respond, it was said by paying $1, the first 10 would receive a $10 examination.

X X X X X X X X

HIGH FIDELITY RADIO IN GERMANY

Little has been done in Germany to cover the entire country with high fidelity radio, Assistant Trade Commissioner Rolland Welch, of Berlin, reports. The main transmitter in Berlin handles broadcasts ranging from 30 to 10,000 cycles per second. The cables for this transmitter, as well as those connecting it with other transmitters, handle from 50 to 6,400 cycles per second.

The broadcasters feel that this covers the complete range as to fidelity of sound, but unfortunately no receiving apparatus is built in Germany that will give such true fidelity. The buying public does not appear to be interested in improving the quality, and the manufacturers believe that to enter the field of high fidelity reception would increase the cost of receiving sets which are already extremely high.

Patent exchange agreements and foreign exchange regulations make it impossible to sell American receiving sets in Germany, Commissioner Welch concludes.

X X X X X X X

7/23/35

FCC ENGINEER INVENTS SECRET PORTABLE RADIO PRINTER

For use in news reporting, W. G. H. Finch, Assistant Chief Engineer of the Federal Communications Commission, has invented a "Secret Portable Radio Printer System", which provides typewritten communication between a reporter on a story and the city desk, either for the purpose of receiving instructions or the instantaneous transmission of a story from the scene of action.

A patent was granted to Mr. Finch on this last week by the Patent Office following several others which had previously been granted to him for a radio facsimile newspaper system.

Finch, who was formerly Chief Engineer of the Hearst radio interests, described the portable radio printer as follows:

"My invention relates to novel apparatus for and methods of automatic printing telegraphy and more particularly relates to novel methods of and apparatus for selecting, synchronizing and operating portable and mobile automatic printing telegraph apparatus over radio.

"Heretofore, due mainly to the complications of telegraph printers, they have been considered practical only for fixed station work.

"A great need, however, has arisen for the operation of mobile telegraph printers; that is, printers which are mounted on movable carriers, such as automobiles, buses, trucks, police cars, aeroplanes, ships and the like. Owners of these mobile printers are then supplied with a radio service for sending out recorded instructions."

Mr. Finch said that he had as the main object of his invention the provision of a printing telegraph system operating a mobile printer by radio. Other objects he enumerated were, to use novel mountings and supports for mobile printers; to render the printer characters quickly and readily visible; to provide novel apparatus for and methods, maintaining the telegraph code secret; to provide a telegraph printer in which the characters can be readily interchanged to respond to different codes, to provide type wheel printers in which the characters are responsive to different codes and to provide telegraph printers with removable and interchangeable type characters.

X X X X X X X X X

MORE WIRELESS COMMUNICATION FOR ETHIOPIA

Permission has been granted by the Federal Communications Commission to Press Wireless, Inc. to temporarily add Addis Ababa in Ethiopia, as a point of communication. As a beginning, the license has only been issued for a 30-day period but no doubt will be renewed from time to time as long as the crisis in Ethiopia exists. Press Wireless is composed of a number of newspapers, including the New York Times and the Chicago Tribune.

X X X X X X X X

RADIO AND THE HAUPTMANN TRIAL

Perhaps the reply which J. Edgar Hoover, head of the Bureau of Investigation of the Department of Justice, made with regard to the newspapers, also holds good for the broadcasters of the Hauptmann trial. It was apropos the American Bar Association proposing a committee of lawyers and newspapermen and broadcasters to prevent hippodroming of criminal trials. It is suggested that this committee be made up of lawyers and representatives of the United Press, Associated Press and International News Service and the National and Columbia broadcasting companies.

Mr. Hoover termed the Hauptmann proceedings a "Disgusting spectacle" and "a Roman holiday" but absolved the press of all blame.

The press is not to blame. If you put on a freak show the press will report it as such. If you put on a dignified trial, I am convinced the newspapers will cover it as such."

Of course the broadcasting stations could not do otherwise.

Another caustic reply was that of Tom Wallace, of the Louisville Times, who said, "Newspaper men need lawyers' advice when they have stolen something rather than when they are reporting something."

X X X X X X X X X X

INDUSTRY NOTES

Hearings before a sub-committee of the House Interstate and Foreign Commerce Committee are being held on the Copeland, Mead and Sirovich Food and Drug Bills. James W. Baldwin, Managing Director of the National Association of Broadcasters, is attending the sessions but as yet has not asked to be heard.

Eugene S. Thomas has been appointed WOR Sales Promotion Manager succeeding T. Wylie Kinney, who is now Eastern Sales Representative for the Mutual Broadcasting System. This position is in addition to Thomas's position as assistant to Walter Neff, WOR Sales Manager.

Before going to WOR in July, 1934, in a Sales Promotion capacity, Thomas spent seven years with the Thomas R. Shipp Company, public relations counsels. Four years of this position was spent as Manager of the Atwater Kent National Radio Auditions.

No successor has as yet been appointed to Henry A. Bellows, Chairman of the Legislative Committee of the National Association of Broadcasters. Mr. Bellows is understood to have taken a position with General Mills, Inc., in New York.

Harold Higgenbottom, 30, formerly in charge of television experiments at Kansas State College, Manhattan, died of a disease attributed by physicians to his work with the X-Ray.

Plans are being made for a combined Electrical and Radio Show to be held in Grand Central Palace in New York City, about the middle of September. Although radio is to be only a part of the exhibit, the chances are that it will far outshadow the other electrical devices to be displayed and that a large part of the crowd, as usual, will be attracted by radio. Predictions are that the attendance at the New York Exposition will be unusually large.

X X X X X X X X X X

DEPRESSION HAS STIMULATED RESEARCH, SARNOFF TELLS RCA DISTRIBUTORS

The chief points of discussion at the RCA Victor Convention of distributors at Atlantic City last week centered around the latest scientific advances in radio technique such as the metal tube which is now being manufactured by RCA for use in its 1935 line of radio receivers, and which, according to RCA, has been adopted by twenty-two of the leading radio manufacturers; the belief of the trade that improved business is in evidence, and that a striking characteristic of 1935 trade conditions is renewed demand for quality merchandise.

"The depression in the United States has stimulated us to further activity in scientific research", David Sarnoff told the distributors. "Necessity may be the mother of invention but invention is the father of necessity. You may be sure that we in the radio industry are cognizant of the steady increase in the demand of our people for the better things in life. In the research laboratories of the RCA, marked progress is being made in the development of television and facsimile, which will ultimately provide new products and services that should add to the nation's prosperity, help to increase employment and advance the forward march of our cultural development.

"Economic cataclysms, because of the profound influence exerted on the social order, may seem to halt the progress of culture, but the truth remains even after civilizations which produced it have disappeared. Great economic upheavals may actually stimulate cultural progress. This has happened in America. More of our people are reading today than ever before. More are listening to the radio. And more are thinking. In our own broadcasting activities, each year has seen marked progress in the artistic value of radio programs."

X X X X X X X X X X

WORLD POWER MANUAL AND ELECTRICAL EXPORTERS HANDBOOK

The Electrical Division of the Bureau of Foreign and Domestic Commerce has just announced the publication of a "World Power Manual and Electrical Exporters' Handbook." This book will contain such items of interest to electrical export managers and exporters of electrically equipped machinery as the domestic electric current characteristics of all foreign countries (by cities), background material on the electric power industry, power production and consumption statistics, power customers, general wiring regulations and practice, domestic rates in the principal cities, as well as pertinent data concerning the market for electrical equipment throughout the world. The publication will be presented in sectional form, adaptable for loose-leaf binding. The price is $2.00. (Supplemental sheets will be issued during the year 1935 and that the service will embrace a minimum of 500 pages).

X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF JULY 26, 1935

No. 846

LONESOME LABRADORIANS INSPIRED MC DONALD'S WINCHARGER

Back in the Spring of 1923 when Commander E. F. McDonald, Jr., of Chicago, accompanied Commander Donald B. MacMillan, the Arctic Explorer, as far as Labrador, he saw how desperately lonely the people of that country were, separated eight months of the year entirely from communication with the outside world except for the code radio transmitters of the Marconi Company, located at Battle Harbor, Labrador.

Commander McDonald had shipped as one of MacMillan's crew on the "Bowdoin". Two years later he returned to the North with MacMillan and this time was in command of the "Peary". Recalling the loneliness of the Labradorians, Commander McDonald took a number of battery operated radio sets with him which he gave to the missionaries and the governors along the Labrador and Greenland coast. Mr. McDonald also presented the delighted recipients with a good supply of dry batteries, which did not deteriorate rapidly in the extreme cold country.

About eight months after he returned he started getting letters from the people from the north when the first mails came out. There were two or three letters from each one to whom he had given a radio set. The first letters that they mailed told him of the wonderful pleasure they were receiving thru the entertainment and news that was coming in to them in their isolated homes during the long winter nights.

"But the letters which they mailed later told me of how they missed their radio now that their batteries were worn out", Commander McDonald said. "I then realized what an injustice I had done to those people by introducing radio when they would be deprived of them in a short time because of the lack of batteries."

Then and there McDonald, who is the President of the Zenith Radio Corporation, began trying to devise a radio set that would operate without dry batteries of any kind and without the necessity of sending storage batteries out to be charged, especially where there were no facilities.

"When I went down to the Galopagos Islands, later, where a number of people lived and where they have no electric power, I still didn't have the answer as to how the natives could recharge their batteries", Commander McDonald went on, "and because of my experience in Greenland, I did not take any radio sets with me, to give away to those people because I knew the injustice that I would do."

Being a sailor, incidentally the owner of the "Mizpah", said to be the finest yacht on the Great Lakes, and upon which "Amos 'n' Andy" are frequent guests when they want a real rest, Mr. McDonald naturally followed weather and wind conditions closely. Suddenly, one day the idea came to him wherever people live in the world, there is at one time or another wind, so why not rig up a little wind-mill to recharge the radio batteries? It seemed too simple a solution for so complex a problem yet it was exactly along these lines that he worked.

After solving the mechanical difficulties insofar as a wind-mill operated radio set was concerned, Commander McDonald turned to a large manufacturer of wind-mills who offered to supply radio listeners with a special little wind-mill adapted to that type of radio sets, which Mr. McDonald later had trade-marked as the "Wincharger". While it was the natives of far off Labrador who had inspired the innovation, the great sales possibilities, of course, centered on the farm listeners who are without electricity who could thus secure long distance radio for the very little cost of recharging.

Commander McDonald declared that he found the old style battery radios cost from $50 to $95 a year whereas with the wind-mill recharging device, a radio could be run 10 hours a day, every day at a cost of not over 50¢ a year. Furthermore the windmill cells for only $10 and this purchase is made direct from the wind-mill manufacturer, out of which McDonald gets no profit, whereas a set of new batteries costs $12.00. A light wind charges the battery but a gale can't overcharge it because of a self cutoff generator.

The Chicago manufacturer says that the idea of getting power from the air from a little windmill on the roof with airplane type of propeller, strongly appeals to the farmers and appears to be a solution of that heretofore baffling question.

Mr. McDonald related an amusing incident showing how quickly a farmer's interest was aroused by the device. One of the salesmen had rigged up a windmill on the tonneau of his automobile and the farmer remarked, "Does that fool think that little wind-mill will help increase the speed of the automobile?" However, the windmill was put on the auto for an entirely different purpose. If there is no wind at the time the salesman calls on the farmer, the latter is asked to jump in the automobile for a little ride at which time he can watch the generator indicator charge a battery as the windmill operates through the motion of the speed of the automobile.

"One hundred and fifty million dollars' worth of free entertainment goes over the roof of every farmer every year and now those who have no electrical facilities will be able to enjoy it just as cheaply and as conveniently as those who have", Commander McDonald said in conclusion. "Likewise with their batteries always

up to concert pitch, they can also tune in on London, Paris and Berlin on the shortwaves just the same as anybody else. I believe the little windmill device will not only be a boon to the farmers everywhere but also an untold blessing to the neglected and lonely in isolated countries all over the world."

X X X X X X X X

TERRE HAUTE STRIKE CLOSES NEWSPAPERS BUT NOT RADIO STATIONS

In the general strike at Terre Haute, Ind., both the local newspapers, the Terre Haute Star and the Terre Haute Tribune, suspended publication giving as their reason, fear of strike sympathizer sympathy. It therefore remained for the local broadcasting station WBOW to flash to the city the first news that the strike had been settled after State troops had been moved into the city.

T. N. Taylor, former President of the Indiana State Federation of Labor, and now an organizer of the American Federation of Labor, said that certain remarks which he had proposed to make over station WBOW, (the initials of which stand for "On the Banks of the Wabash") had been censored by Maj. Earl E. Weimar, of the National Guard. In the speech calling the general strike, Taylor criticized the attitude of Mayor Sam Beecher, and the local administration in their handling of the situation. Such references he was compelled to omit.

Terre Haute is the home of the late Eugene V. Debs, National Socialist leader, after which Station WEVD, in New York City is named. It was perhaps the first radio station in the world to be erected as a memorial to an individual.

X X X X X X X X X

CROSLEY FILES INCOME TAX APPEAL

Powel Crosley, Jr., of Cincinnati, President of the Crosley Radio Corporation, filed an appeal with the U. S. Board of Tax Appeals in Washington because of alleged overassessment of income taxes totalling $48,391.47. This includes $41,877.86 for 1929 and $6,513.61 for 1930.

X X X X X X X X X

WARSAW MEETING OF THE INTERNATIONAL BROADCASTING UNION

The International Broadcasting Union under the Presidency of Vice-Admiral Sir Charles Carpendale (Great Britain) has concluded at Warsaw its annual summer meeting. Representatives of broadcasting organizations in 22 European states, and also in the United States of America, were present. It was stated during the course of the session that the continued growth of interest in broadcasting was such, that the potential audience of listeners had reached at least 200 millions at the beginning of June.

The new President of the Union, elected by the new Council, is M. Maurice Rambert, Administrateur-Delegue of the Swiss national broadcasting organization known as the Societe Suisse de Radiodiffusion.

Other newcomers to office within the Union are: Vice-Presidencies: Dr. K. von Boeckmann, Intendant of the shortwave transmissions of the German broadcasting organization; M. Sigismond Chamiec (Director-General of Polskie Radjo, Poland); M. Gustav Reutersward, Director-General of the Swedish broadcasting organization, Stockholm. M.M. Pellenc, Inspector-General of Radio-diffusion in the French Administration of Posts, Telegraphs, and Telephones, retains his place during 1935-1936 as a Vice-President of the Union.

Amongst the decisions taken by the International Broadcasting Union at Warsaw was one to invite National and International groups of broadcasting organizations in all countries to a preliminary Inter-Continental Conference in 1936. Paris has been chosen for this preliminary meeting.

Another decision of the International Broadcasting Union has been the institution of what is to be known as "C onferences internationales de l'Union Internationale de Radiodiffusion". It is proposed by means of these discourses - a limited number of which will be radiated internationally each year - to establish direct contact between the greatest contemporary leaders in science and art and the listeners to the programmes radiated by members of the Union.

The International Broadcasting Union also decided to collaborate in such international studies as may be made by the newly created "Association internationale des Loisirs des Travailleurs" in connection with the part that can be played by broadcasting in this new and important question of the leisure hours of workers. It also discussed possible methods of collaboration with the International Institute for Intellectual Cooperation (Paris) in certain official broadcasting studies assigned to that Institute, and with the International Educational Cinematographic Institute (Rome) in the field of Television.

Plans were discussed for an enlargement of the Union's technical laboratory and Central Observation Post at Brussels, so

as to permit of an extension of the nightly observations made upon the technical performances of the European (and certain Transatlantic broadcasting stations), both in the field of stability and of modulation - which latter factor has great influence on the quality of the transmission of a broadcasting station and on those of its neighbors.

X X X X X X X X

FREDERIC WILLIAM WILE, JR., FACES $75,000 SUIT

Charging he had been illeagly committed to the psychopathic ward at Bellevue Hospital, in New York, 25-year-old Samuel Lasher, once conductor of a gossip column of the air, brought suit for $75,000 today against Frederic William Wile, jr., son of the radio and newspaper political commentator.

"Imagine my predicament," Lasher declared through his lawyer, Jay Emanuel, "when I told doctors I wasn't insane and they answered, 'You all say that'".

Lasher said his troubles began in July, 1934, when he was discharged by the Columbia broadcasting system for whom he had conducted a gossip column. He declares he went to consult Wile who had a policeman take him directly to Bellevue.

Wile, through his attorney, has entered a general denial of the charges. He was formerly connected with the publicity department of Columbia but later went to the radio department of an advertising agency.

X X X X X X X X

STEPHENS NAMED ASSOCIATE JUSTICE OF D.C. COURT OF APPEALS

Harold M. Stephens, of Utah, who was named Assistant to the Attorney General only three weeks ago, has been nominated by President Roosevelt for Associate Justice of the Court of Appeals for the District of Columbia. This is the court which passes upon appeals in radio cases, and friends of Judge E. O. Sykes, Chairman of the Broadcast Division of the Federal Communications Commission, sought this position for him.

X X X X X X X X

75% IMPROVEMENT IN RADIO COPY SEEN BY FTC

Quality and truthfulness of radio advertising continuities is seen as improved 75% during the past year. E. J. Adams, chairman of Federal Trade Commission's special board of investigation, reveals that not more than 10,000 of nearly 500,000 continuities examined from July 1, 1934 to July 1, 1935 contained statements or claims subject to severe criticism.

Speaking at the height of the Communications Commission drive to force objectionable programs off the air, the F.T.C. executive told Variety that outrightmisrepresentation of products and duping of the public has been reduced to an almost negligible point through joint efforts of the broadcasting industry and the government agency.

Although restricted solely to the field of unfair competitive practices and lacking authority to criticize either the volume of commercial patter or advertising which is merely offensive to good taste, the F.T.C. feels that substantial headway has been made during the past year in cleaning up radio programs and correcting most serious vices which caused the agency to begin riding herd on broadcasters.

Although lacking exact figures, Adams said it was probable that not more than 100 stipulations -- agreements between the Commish and advertisers to quit objectionable practices -- were necessary to clean up troublesome cases.

Throwing light on the agency's standards and possibly showing the way for broadcasters to pacify the Communications Commission, Adams said that puffing through the use of opinions -- whether those of the manufacturer or of customers -- has been held permissible and in conformity with the law but that factual statements which cannot be 100% supported by the advertiser are being outlawed as misleading and deceptive.

"For example, if a radio announcer declares that something is the best or finest product of its kind, we regard that as a matter of opinion and not an unfair method of competition," Adams explained. "But if an announcer says that some shoe is made of whole leather when examination shows this is not the case that is misrepresentation and a violation of the law."

Quack medical products, impure cosmetics, and similar products give the Commission greatest concern, but steady progress is being made in reducing the amount of vicious patter used to advertise such commodities.

Broadcasters, like publishers, are not made defendants in any proceedings as long as they co-operate, and on the other hand are furnished information which, while not specifically advising any policy, are intended to help in deciding whether to carry or to refuse certain types of advertising. But if a broadcaster should decline to observe Commission rulings, "then we would make him a

co-respondent," Adams warned.

Minor difficulty has been encountered with astrologers and other star gazers, Adams said, placing substantial responsibility for programs of this nature on station managers. Broadcasters are deficient when they permit "rank amateurs" to pose as experts, he said, while most of the programs are illegal from the Commission viewpoint since they involve misrepresentation of booklets or gadgets offered for sale.

Although the big stations are not "entirely pure", most persistent cases involve small, obscure transmitters, Commission has found, particularly in recent months. A small proportion of the small station, Adams commented, are "very careless in criticizing copy submitted to them."

System of calling for continuities from different zones at variable periods is working satisfactorily and probably will continue. No changes in method of procedure are expected, Adams said, noting that chains are steadily forwarding continuities and virtually all commercial stations are responding readily to the periodical summons for transcripts.

X X X X X X X

FCC EXAMINER RECOMMENDS GRANTING OF LICENSES

An Examiner of the Federal Communications Commission has recommended that the application of the Lake Region Broadcasting Company, of Lakeland, Florida, for a 100-watt station on 1310 kc. be granted. Also that of G. D. Goff, Tampa, Florida, for the same power station on 1500 kc. and Hazelwood, Inc., of West Palm Beach, Fla., 100 station on 1200 kc.

The Examiner reported unfavorably on the application of H. K. Glass and M. C. Kirkland, of Eustic, Florida, for a 100 watt station on 1310 kc. and Robert Louis Sanders, of Palm Beach, Fla for a 100 watt station on 1420 kc.

X X X X X X X X

DEFENDS RADIO'S FAIRNESS

When questioned by Representative Michenor of Michigan when testifying before the Judiciary Committee of the House, Representative Wright Patman of Texas had a good word to say for the fairness of radio when it came to presenting both sides of a public question to the people. It occurred when Mr. Patman was discussing what he declared was the control of the disseminations.

Mr. Patman said, "There has been organized what is known as the American Retail Federation. Ordinarily you would think it was harmless; that it did not mean anything; that it was

just some big concerns getting together for the purpose of protecting their own interests with the Government. That was on the surface. But when you look into it a little bit you discover it is a group of 28 people who are really behind this organization and represent $40,000,000 worth of advertising annually in this Nation; and those 28 people can get together and almost control the means of communication. I do not mean to say every newspaper is going to be subservient to the advertisers' will; I do not charge that. We have some good newspapers in this country that are independent and do what they want to; but, at the same time, where newspapers are dependent upon advertising from just a few people for their receipts and this advertising bill determines whether they stay in business or go out of business, I suspect it has a little weight on their editorial policy. Therefore, when this food group and other groups get together and control such an enormous amount of advertising, they in a way, and to a certain extent at least, partially I will say, control the means of communication in this country. And when they do that, you are not going to get all the truth and all the facts to the people; you are going to get colored information to them and biased information."

"H ow are you going to help a thing like that?" Mr. Michenor inquired. "Take your radio: One group can talk on the holding bill, on one side or the other, and they can talk every night on it, and, if a fellow wants to hear one side, and the fellow wants to pay for it, he pays for the thing he wants to say, and the people only have the one side of it. How are you going to stop that?"

"To a certain extent the radio has been very fair," Mr. Patman replied. "In fact, I think they are fairer than any other means of communication. They have given both sides an opportunity to be heard on their free-time periods. But when it comes to paying for this time only the large concerns can afford to pay for time; the small concerns cannot afford to pay for time. But I think the radio has been pretty fair and pretty liberal with everybody on every viewpoint that they had. Where it was of national public interest I think the radio companies have been mighty fair. But you cannot say that about all the newspapers of the country. I know in one place in this country that several thousand dollars' worth of furniture ads were put in every Friday, and one day this newspaper man was told, "Now, you do so-and-so; if you don't these furniture ads won't be in your paper any more." He was an independent newspaper man, and he was not going to be browbeaten in any such manner as that, or intimidated, and he said, "I am not going to do it", and they kept those furniture ads out, and that man came mighty near going broke before he put those furniture ads back. That is only one little illustration. I do not say it is a general rule, but it can be done when a few large concerns control so much advertising in this country -- control the means of communication."

X X X X X X X X

TELEVISION CABLE AUTHORIZATION VICTORY FOR A.T.&T.

The ease with which the American Telephone & Telegraph Company overcame the opposition of the telegraph companies and won over the Federal Communications Commission in securing permission to install a coaxial cable between New York and Philadelphia for experimental television and multiple telegraph service, was almost a personal triumph for Dr. F. B. Jewett, Vice-President of the Telephone Company and one of the world's outstanding research experts. Dr. Jewett was the principal witness but proved so convincing that before he had completed his testimony, the Western Union and Postal announced the withdrawal of their opposition.

The Commission in granting an experimental license for the coaxial cable made it a condition that all parties having an interest in the transmission of television images should have access to use of the cable during the experiment.

"The commission is of the opinion that the petitioners can not monopolize the experimental advantages, features and uses of the coaxial cable to the disadvantage, exclusion and detriment of other parties," the announcement said.

The cable will transmit at the same time 240 telephone messages in each direction, or 2,400 simultaneous telegraph messages. Television images can be transmitted when the cables are not otherwise in use, but not when voice or electric impulses are being transmitted.

It was said that if sufficient transmitting and receiving devices could be supplied that an entire Sunday edition of the New York Times could be transmitted over this one cable by telegraph in 7 minutes.

X X X X X X

CAPITAL TOO COOL FOR THE JUDGE

One day last week in Washington when the temperature was around 100 and they were frying eggs on Pennsylvania Avenue, Judge E. O. Sykes, Chairman of the Broadcast Division of the Federal Communications Commission, was encountered looking cool as a cucumber.

"I don't think this is so hot", said Sykes, who hails from Mississippi. "In fact it seems to me that it has been a little cool lately. Now that it is warming up a trifle, I am just beginning to feel at home."

X X X X X X X

7/26/35

FORMER MUSIC DIVISION HEAD PROTESTS DUFFY BILL

Carl Engel, former head of the Music Division of the Library of Congress and now President of G. S. Schirmer, Inc., New York, wrote the following letter to Senator Robert Wagner of N.Y.:

"May I take the liberty of adding my emphatic protest to the many others that must have reached you with respect to United States Senate bill 3047, purporting to amend the copywright law?

"My point of view is not biased. While at the head of one of the foremost and of one of the oldest music publishing houses in America, and I am also as a professional musician and writer of music, and as such I am eminently concerned with the fate of the composer and author.

"I am whole-heartedly in favor of our joining the Rome convention, but not at the price of a law that aims at the spoliation of the makers of music to the wholly disproportionate advantage of the users of music.

"In my 12 years (1922-34) as chief of the Music Division in the Library of Congress I have had ample opportunity to form the highest regard for the integrity and wisdom of the former Register of Copyright, Mr. Thorvald Solberg, and of his able successor, Mr. William L. Brown. But if, as I understand, the Copyright Office lent a hand in the drafting of this bill I fear that it has too readily yielded to the false counsel and misrepresentations of obviously interested parties.

"The situation has been most clearly and convincingly set forth in a brief by Mr. Nathan Burkan -- one of the best minds we have on copyright matters -- which he prepared on behalf of the American Society of Composers, Authors, and Publishers. May I recommend Mr. Burkan's brief to your careful and sympathetic study?

"I feel that I am not appealing in vain to your sense of justice, when I ask you to help in preventing the passage of a bill that is the child by marriage between unreason and unfairness."

X X X X X X X

APPLICATIONS GRANTED BY BROADCAST DIVISION OF FCC

KSVO, The Ardmorite Pub. Co. Inc., Ardmore, Okla., mod. of CP authorizing transmitter site and antenna system, and to make changes in eqpt; WMPC, The First Methodist Protestant Church, Lapeer, Mich., license to cover CP authorizing installation of new equipment and increase in day power to 250 watts; 1200 kc, 100 w. night, specified hours; WMFO, James R. Doss, Jr., Decatur, Alabama, license to cover CP as modified for new station to operate on 1370 kc, 100 watts; daytime only; KFAB, KFAB Broadcasting Co., Lincoln, Neb., extension of special exp. Authority to operate synchronously with WBBM after sunset for a period beginning Aug. 1, 1935 and ending January 31, 1936; present assignment, 770 kc, 5 KW night and day. S-WBBM during night, simultaneously day with WBBM.

Also, WBBM/Chicago, Ill., extension of special exp. authorization to operate synchronously with KFAB after sunset for a period beginning Aug. 1, 1935 and ending Jan. 31, 1936. Present assignment 770 kc, 25 KW night and day. (CP for 50 KW night and day). Hours of operation: Simul-Day KFAB, Share KFAB night; Puget Sound B roadcasting Co. Inc., CP for broadcast pickup station, temp. service, for rebroadcasting events over station KVI; freqs. 1646, 2090, 2190 and 2830 kc; 40 w; National Broadcasting Co. Inc., Portable-Mobile, CP for new gen. exp. station to be used as broadcast pickup station, on experimental basis; freqs. 3100, 34600, 37600 and 40600 kc; 25 watts; also license covering same for period ending Oct. 1, 1936; WCFL, Chicago Federation of Labor, Chicago, Ill., spec. temp. authority to use present licensed main transmitter as auxiliary during program test period but for a period not to exceed 10 days.

Also, WSUI, State University of Iowa, Iowa City, Ia. special temp. authority to operate a minimum of five hours daily, instead of unlimited time as at present licensed, but for the period beginning Aug. 23, 1935 and ending not later than Sept. [illegible] 1935, in order to observe school summer vacation period; KNOW, Kut Broadcasting Co., Austin, Texas, extension of special temp. auth. to use W.E. 8 -B transmitter with special modulation eqpt. for broadcasting without an approved freq. monitor, at Norwood Bldg. Austin, Tex., using a special antenna, power of 50 w. for period beginning Aug. 1, and ending not later than Aug. 31, 193[illegible], WABI, Community Broadcasting Service, Bangor, Maine, special temp. auth. to operate from 2 to 6 PM EDST, Aug. 19, 20, 21, 22, 23 and 24, 1935, in order to broadcast reports of racing and other activities direct from fair grounds at the Banor Fair; WICC, Southern Conn. Broadcasting Corp., Bridgeport, Conn., special temp auth. to operate unlimited time for period beginning July 27 and ending not later than Aug 25, 1935, in order to permit WCAC to observe school summer recess; WGNY, Peter Goelet, Chester Township, N.Y., special temp. auth. to operate simultaneously; with WGBB from 1:30 to 3 P.M.; with WFAS from 3 to 5 PM, and with WDRB from 5 to 6 PM, EDST, Aug. 14, 1935; with WFAS from 1:30 to 5 PM, and with WDRB from 5 to 6 PM. EDST, Aug. 15, in order to broadcast Hambletenian Races at Goshen, N.Y.

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF JULY 30, 1935

No. 847

NEWSPAPERS NOW CONTROL ONE HUNDRED AND FIFTEEN STATIONS

In point of numbers, daily newspapers have become important as licensees of broadcasting stations. The press holds air rights over more than 10 per cent of the available time and channels, through licenses owned by newspapers or their direct subsidiaries, and through co-operative arrangements, probably enjoys the right of reaching the listening public over as many more stations.

The near future will probably see increased power granted to many newspaper stations now working with 100 watts, as they demonstrate their public service, to the communications commission.

It is believed that many more newspapers will acquire broadcasting stations as ultra-short waves are developed. This issue of the Editor and Publisher, largely devoted to radio as related to the newspapers, indicates that most newspaper broadcasters consider their radio news a purely public service, not available for advertising sponsorship. Most of the minority which will permit sponsorship also reserve to themselves one or more news periods daily without any advertising tag-lines. And the great majority of newspaper-operated stations now furnish much more news over the air than was contemplated when the Press-Radio bureau was formed 18 months ago.

Opinion as to the wisdom of permitting sponsorship of news is still divided or unformed, it appears from the comments of newspapermen who have been associated with the radio for various periods, dating back to the pioneer days of 1920. None of those who have given their views specifically approve commercial sponsorship of news. One repudiates the idea emphatically, another considers it unfortunate, others just don't find opinion or action necessary. Some believe that the present volume of broadcast news is excessive and will be curtailed soon because the public will not accept a routine budget.

A small minority sells time on its stations cooperatively with space in the paper, but the majority opinion is that the selling problems are so radically different that separate staffs and separate rate-cards perform best. That radio advertising has not been at the expense of their newspaper columns, but has rather promoted newspaper advertising, seems to be the general conclusion of the leaders quoted. In

any case, operation of a station permits them to offer both horns of the dilemma to the doubtful prospect.

"So run the opinions of people qualified by experience to have them", concludes the Editor and Publisher. "They have changed frequently in the years that have passed since 1920, and they will change often between now and 1940. On one subject, they and Editor and Publisher are in accord -- and some of our readers appear to have forgotten that this paper has advocated the idea for more than 10 years -- newspapers by their place in the community and their knowledge of communications processes are better fitted to be broadcasters than any other group which can be named. The field is not yet closed to newspaper participation, and it is not at all unlikely that technical advances will open new air channels for broadcasting. If so, let it not be said again that newspapers 'missed the boat', in not securing more broadcasting station franchises. For, whatever may be the legal status of the radio medium, it is essentially a means of public communication, and neither competitor nor ally, but adjunct of the daily newspaper instrument."

X X X X X X X X X X X

FIGHT WAGED ON NEW STATION NEAR CAPITAL

Radio interests in Washington, D.C. have been aroused by the Federal Communications Commission granting a construction permit without a hearing to the Monocacy Broadcasting Company to erect a 250 watt station on 1140 kilocycles at Rockville, Maryland, which is only 15 miles from the Capital. Already Station WOL in Washington has filed a protest and the NBC and Columbia are expected to follow suit. WCAU of Philadelphia also objects to the granting of a license to the new station. As a result of this the Commission has suspended the grant and a hearing in the case will be held.

"It is just a ruse to get a new station into Washington by way of the back door", one of the protestants said. "There are only 1,422 people in Rockville and anyone knows a town of that size can't support a broadcasting station. Once they get authorization to set up there, the next thing they will be doing will be to get permission to move down to Bethesda which is just across the District Line (i.e., boundary of Washington) and then they will be a full-fledged station competing for the business of the city of Washington which is already served by four other stations."

Also there is a political angle to it inasmuch as it is claimed the new licensees who hail from Frederick, Maryland and are interested in the stations in that city, desire to further the interests of the Democratic party.

The protests of station WCAU in Philadelphia speak of the proximity of the Rockville wavelength to its own, 1170 kilocycles.

X X X X X X X X X

AN INCREASE OF DAYTIME POWER RECOMMENDED FOR NEWARK STATION

The daytime power of Station WNEW, Newark, N.J. will be increased from 2500 to 5000 watts if the recommendation of Examiner Ralph L. Walker of the Federal Communications Commission is followed. In reaching his conclusion, Mr. Walker said that the record discloses that an increase in the signal strength of Station WNEW is necessary to override the high noise level in the area which it serves.

"The use of day power of five kilowatts will not cause objectionable interference within the service area of any existing station, with the possible exception of Station WCAP, Asbury Park", Mr. Walker said. "That station would probably be subjected to slight interference at points between its 500 microvolt and one millivot contours on receivers of relatively poor selectivity, if average conditions prevail. However, average conditions do not prevail inasmuch as attenuation in the area is high."

The operating expenses of Station WNEW for the year 1934 were approximately $172,000. The technical staff of the station consists of four part time employees on a regular basis and from eighteen to twenty-eight full time employees, involving a weekly payroll of from $750 to $1,100. There are from forty-five to sixty employees engaged in the preparation and presentation of programs, including program director, station manager, sales manager, announcers, secretaries, writers, production assistants and others.

The cost of commercial and sustaining talent for the period of one year was $10,807, in addition to the sum of $48,067 paid to staff artists. The expense of remote control lines is approximately $2,000 per month. Transmitter maintenance expenses for the past year were about $6,000 and the cost of light and power about $7,200.

X X X X X X X X

N. Y. STATION SEEKS DAYTIME POWER

Although it has been repeatedly reported that Mayor LaGuardia proposed to dispose of the property of WNYC, municipal broadcasting station of the city of New York, they are seeking a construction permit to install new equipment and to increase power from 1 to 5 kilowatts to sunset N.Y. and from sunset New York use 1 kilowatt power to sunset at Minneapolis, and move transmitter from Centre and Duane Sts. to Victory Blvd. & Travis Ave. New Springville Park, N.Y.

X X X X X X X X X

THINK OF BEING BORN THERE!

A. E. Johnson, Chief Engineer of the National Broadcasting Company in Washington, was smiling broadly last week.

"You seem to be happy", a friend remarked.

"Yes, I'm going on my vacation to Miami", Johnson replied.

"Isn't this a funny time of the year to go to Miami?" he was asked.

"N ot for me", he replied. "That's my home."

Thousands visit Miami but it is hardly more than once in a lifetime that one encounters a native of that popular resort. The same is true of Niagara Falls, yet just starting for there is Orrin E. Dunlap, Jr., Radio Editor of the New York Times, who was born and raised at Niagara. He never misses spending his vacation there.

It is likewise true that Bob Taplinger, of Columbia, hails from Atlantic City. His father was a friend of William S. Paley, in Philadelphia, nearby, and that's how B ob got into the radio game.

X X X X X X X X X

ORMANDY LOSES INFANT SON

Word has been received of the death in Vienna, Monday July 22, of the infant son of Mr. and Mrs. Eugene Ormandy. Mr. Ormandy is the conductor of the Minneapolis Symphony Orchestra and well known for his radio broadcasts.

X X X X X X X X X X X

ENGLAND AND CANADA WORK TOGETHER ON PROGRAM EXCHANGE

Cecil G. Graves who in the Fall will become Controller of Programs for the B.B.C. has now returned to London after his visit to the U.S.A., Canada, and Newfoundland. While passing through New York, Mr. Graves took the opportunity of making the personal acquaintance of senior officials of the National Broadcasting Company and the Columbia Broadcasting System, with whom he discussed matters affecting these organizations and the B.B.C.

In an interview, Mr. Graves said that the Canadian Radio Broadcasting Commission were co-operating with the B.B.C. in connection with the Empire Broadcasting Service and special receiving equipment was now being installed at Ottawa. Mr. Graves stressed the importance of the development of reciprocal broadcasting between the various countries of the Empire. Canada, he pointed out, had already provided some excellent programs for British listeners.

When Mr. Graves takes up his new duties Oct. 1, the responsibility to the Director-General for Public Relations, together with the editorial control of the Corporation's publications, will be transferred from the Program Division to a separate Controller, 'Public Relations'. Sir Stephen Tallents, at present Public Relations Officer to the Post Office, has been appointed to this post.

To enable the Controller, 'Programs', to deal direct with the Heads of Program Departments on matters of policy, he will have a staff of two Assistant Controllers, 'R. H. Eckersley and Gladstone Murray', and a Director of Program Planning, 'R. E. L. Wellington'.

X X X X X X X X

NEW YORK RADIO SHOW IN SEPTEMBER

Plans are being made for a combined Electrical and Radio Show to be held in Grand Central Palace in New York City, about the middle of September. Although radio is to be only a part of the exhibit, the chances are that it will far outshadow the other electrical devices to be displayed and that a large part of the crowd, as usual, will be attracted by radio. Predictions are that the attendance at the New York Exposition will be unusually large.

X X X X X X X

TELEPHONE ANTI-GIFT ORDER MAKES NO HIT WITH FCC EMPLOYEES

There weren't any cheers among the employees of the Federal Communications Commission employees on the order issued by Commissioner Paul A. Walker. It was suggested by reverberations of the lobby investigation and read:

"It is of the utmost importance that persons engaged in the telephone investigation, including that of the manufacturing and other subsidiary companies, so conduct themselves at all times as to avoid suspicion of impropriety, lack of dilligence, or improper attitude toward the work in which they are engaged. To this end, all persons engaged in the telephone investigation under the Federal Communications Commission must be cautioned against conduct which may be prejudicial to the investigation. The acceptance of favors or gifts from company officials or employees must be strictly prohibited. Luncheon, theater, golf, or club engagements, or introductions to clubs or places of amusement, extended as favors from company sources, should be courteously declined. Financial relations with the company, its officials or employees, including loans of money, cashing of checks, etc., must likewise be strictly prohibited.

"The Commission has confidence in the persons employed, and is anxious to assist them in performing the service expected by the country from this investigation. Members of the staff should realize that they are public servants in the highest sense of the word. As honest, sincere, conscientious and industrious public servants, they will wish to give the best of their time and talents to the work of this public investigation. They will therefore so conduct themselves at all times as to reflect the proper attitude toward this public investigation, and honor upon their employment."

"Commissioner Walker must have a fine opinion of us down here", one FCC official remarked. "Also his order cannot be construed as a vote of confidence in the A.T.&T."

X X X X X X X X X X X

FCC DENIES INTERLOCKING DIRECTORATE REHEARING

The Commission denied the joint application of Messrs. Newcomb Carlton and E.Y. Gallaher for a rehearing in the matter of the order of the Commission recently made, denying them authority to hold offices and directorships in the Western Union Telegraph Company and the Mexican Telegraph Company. Commissioner Stewart voted to deny application for rehearing but stated that the original application should have been granted for reasons set out in his opinion.

X X X X X X X X X

NEW 1935-36 RADIOS HERALDED AS NEW ERA

Radio is entering a new era, according to Ray V. Sutliffe, editor of Radio Retailing.

"It is clearly apparent," said Mr. Sutliffe, "that the metal tube has taken the industry by storm. It is also apparent that this little device is more than merely the old tube in a new jacket."

Announcement was made during the past week by the Radiotron Manufacturing Company that to date twenty-two leading radio manufacturers have adopted metal octal base tubes as standard equipment.

Features of a 1936 line now being introduced by the Zenith Radio Corporation are listed as: A black dial full faced with transparent white markings illuminated from the rear by red, green and blue lights according to the wave band in use; split-second tuning, overtone amplifier, triple filtering, dimensional tone and a special sounding board mounting for the loud speaker. The sets are all designed for all-metal tubes.

The new Emerson instruments are featuring a "harmonized unit," described as "a revolutionary advance in radio construction." The designers point out that the receiver is pre-built on the principle that no chain is stronger than its weakest link.

Sharp tuning circuits "specially designed to get the most out of the all-metal tubes," according to the engineers, are being introduced by Atwater Kent. The machines range from four to twelve tube outfits, with stress placed upon tone realism.

A wide range of 1936 models with the all-metal chassis are being introduced by Fada. The line includes a high-fidelity console and world-wide short-wave receivers for both alternating and direct current.

The latest Spartons concentrate on what is described as "presence engineering" designed to reproduce a complete range of lower and higher notes. The superheterodyne circuit is used, as is the case in the majority of 1935-36 sets. A tone exactifier is utilized to "unscramble and clarify reception."

Several technical features incorporated in the latest Stromberg-Carlson instruments are listed as: "The clover-leaf arrangement of coils, aligning condensers and range switch." The circuits cover three distinct wave bands, with sensitivity and selectivity on all three rated as exceptionally high. Shallow cabinets and ample vents avert cabinet "boom."

The new RCA-Victor machines, shown to dealers during the past week at Atlantic City, are provided with a "magic eye" to supplement last season's "magic brain" circuit. The "eye" is a unique visual tuner that facilitates accurate tuning without depending upon the ear.

X X X X X X X

NEW STUDIOS TO BE BUILT BY NBC IN HOLLYWOOD

The NBC has completed arrangements for the construction of modern studios in Hollywood.

"After months of investigation and study of suitable locations," Richard C. Patterson, Jr., executive vice president of the National Broadcasting Company, said, "NBC has signed a lease for the entire building of the Consolidated Film Industries laboratories on Melrose Avenue, and construction of modern and efficient broadcasting studios will be started immediately. They will be ready for operation next Fall."

The new broadcasting plant, which will be the most up-to-date on the Pacific coast, will include four studios. Two of these will be of the small theatre type, seating audiences of between 250 and 300 persons.

"The increasing use of radio stars in motion picture productions, and of movie stars in radio, has emphasized the need for more adequate studios in Hollywood," Mr. Patterson said. "Hollywood has become a great reservoir of talent for radio, and we expect that many more programs of national interest will originate in Southern California as soon as we have provided proper facilities."

Taking over of the Consolidated Building by NBC followed an intensive survey bt Don E. Gilman, vice president in charge of the Western Division, and O.B. Hanson, chief engineer of NBC who recently returned from a three weeks trip to the coast.

X X X X X X X X X

NEW AUTOMATIC RADIO PROGRAM POPULARITY ANALYZER

A new automatic device for determining radio program appeal has been developed after many months of research by Professors R. F. Elder and L. F. Woodruff of the Massachusetts Institute of Technology.

"As a substitute for and improvement over the fan letter and questionnaire methods of checking listener interest in various programs the new apparatus, a compact electrical device, is designed to give a precise and accurate record of the stations to which a radio receiving set is tuned", says a statement from the Yankee Network.

"The device is readily attachable to any ordinary receiving set, and it will in no way affect its operation or tuning. After a predetermined period of time, records may be removed and analyzed. The device then may be removed and attached to a receiver in another home.

"John Shepard 3rd, President of the Yankee Network, has made an arrangement whereby the Yankee Network will finance the building and instalation of a quantity of the devices developed by Professors Elder and Woodruff. Early in the fall a survey with the new analyzers will be instituted, program preferences will be tabulated, and every effort will be made to furnish better programs, according to the likes and dislikes of listeners."

X X X X X

BIG PREPARATIONS FOR LONDON RADIO SHOW

In anticipation for the London Radiolympia, the annual exhibition of the British radio industry, under the auspices of the British Radio Manufacturers Association, a theatre is being erected inside of the Olympia which will have the largest proscenium arch in London. The stage is described as "enormous".

The London Radiolympia begins August 17 and arrangements are in charge of John Sharon, B.B.C. producer.

X X X X X

MORE HUNDRED WATTERS APPROVED

Favorable examiners reports have been made in the applications of Dr. William J. Reynolds of Selma, Ala., for a 100 watt station in 1500 kc and Head of the Lakes Broadcasting Company, Virginia, Minn., for a 100 watt station on 1370 kc.

Also an examiner has favorably recommended the application of Station KOOS of Marshfield, Ore., to change its frequency from 1200 to 1390 kc daytime only, continuing to use 250 watts power.

X X X X X X

NEW G-E LINE OF METAL-TUBE RADIO RECEIVERS

General Electric's new radio line, embracing eight receivers featuring 100-percent metal tube complements, is announced as follows by the Merchandise Department, Bridgeport, Conn.

"These sets, which include four consoles and four table models, are the first in the history of the industry to incorporate the new metal tube developed by the 'House of Magic'.

"Developed, designed and manufactured by General Electric, the sets incorporate five major developments, in addition to many improvements over conventional types of radio receivers.

"All offer both standard and short wave reception features and several have extended tuning ranges for ultra short waves. One has five bands, two have four bands, two have three bands and three have two bands.

"Outstanding among the developments is the new metal tube, used entirely in these new sets. Other exclusive G-E advances are the sentry box, the permaliner, the stabilized dynamic speaker and the sliding-rule tuning scale.

"The new metal tubes are not only much smaller and more sturdy than conventional glass tubes, but offer many improved electrical characteristics. They provide their own shielding and, in addition, the metal shell is a better heat conductor and radiator than glass. They are particularly advantageous in the field of short wave reception. The short leads of the tubes permit greater amplification at the higher frequencies and the more effective shielding insures greater stability. Another important advantage of the metal tube is the reduction of space in the receiver ordinarily needed for tubes. Because this tube is smaller and made of metal, the working parts can be built very close to the base, thereby shortening the wire leads within the tube and providing better control of high frequencies. Also the lead wires within the tube are more widely separated.

"Hermetically sealed in steel against air and gas by Thyraton welding, there is no leakage. The new metal tube has one

more pin than comparable glass tubes, all of the pins of the new base being of the same diameter. In the center is a longer, insulated pin which is keyed. By placing this pin in a hole centrally located in the socket and rotating the tube until the key slips into its groove, the tube is quickly and easily inserted. These factors, and many others, contribute to greater stability and longer life, with a corresponding increase in efficiency.

"The sentry box is a sub-assembly containing the radio-frequency circuits of the receiver. It selects and aligns the receiver with the various tuning bands. Its design has made it possible to eliminate connecting leads almost entirely, except those necessary for vacuum tube connections. This has greatly simplified the under-chassis wiring. The coils are mounted directly on the selector switch,assuring the shortest possible paths and connections.

"The permaliner is a new type trimmer capacitor. Sealed against moisture and dirt, it is unaffected by temperature changes, and assures proper and permanent alignment of the circuits of the receiver.

"The sliding-rule tuning scale is a horizontal rotary scale printed on an opaque cylinder, upon which only one scale is visible at a time. It protrudes slightly into the front of the panel and may be seen plainly from either a standing or sitting position. A vertical pointer, operated in each case by the right hand knob on the receiver, indicates the frequencies. The scale is softly illuminated over its entire length. A turn of a knob on the extreme left brings a new scale into a visible position and aligns the receiver to another reception band.

"The new G-E stabilized dynamic speaker is projection-welded -- a process which fuses all parts of the metallic framework into one integral piece, thereby insuring accuracy and permanency of alignment of every part of the speaker, and improving it both electrically and mechanically; electrically bedause there are no magnetic obstructions or losses due to gaps in joints; mechanically because all parts remain rigid and true throughout the life of the set. The voice coil at the end of the cone operates in a limited cylindrical air space and never varies from its path.

"Cabinets of General Electric's new radio receivers were styled by Pay Patten, in collaboration with a group of the foremost furniture designers in the country, and present a new mode in modern design. Engineering advances, making possible a more logical circuit design, have permitted economies and improvements in cabinet construction, with the result that cabinets are sturdy and more compact and lend themselves to a wide variety of decorative arrangements."

X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL—Not for Publication

INDEX TO ISSUE OF AUGUST 2, 1935

No. 848

WOULD INVESTIGATE FCC FOR MEXICAN PROGRAM WHITEWASH

A stinging speech was inserted in the Congressional Record by Representative Connery of Massachusetts because of the refusal of the Federal Communications Commission to cancel the licenses of NBC network stations which broadcast an alleged obscene song during a program sponsored by the Mexican Government. Mr. Connery said:

"The power and influence of the Power Trust is well known to all Members of the Congress. Some Members of the Congress have not as yet realized that the creature of the Power Trust -- the Radio Trust -- headed by the National Broadcasting Co., is just as arrogant, just as intolerant of proper supervision or governmental regulation, and just as influential as ever the Power Trust claimed to be.

"The head of the National Broadcasting Co., M. H. Aylesworth, is well known to the Federal Trade Commission. The reports of the Federal Trade Commission indicate that H. M. Aylesworth was formerly the managing director of the National Electric Light Association, the predecessor of the present Edison Institute. The National Electric Light Association is that body which the Federal Trade Commission found had spent large sums of money corrupting and influencing our college professors and our educators to work, under cover, for the best interests of the Power Trust.

"Correspondence, which Members of the Congress have had with the Federal Communications Commission illustrates the influence which the National Broadcasting Co. has with that governmental agency. The arrogant attitude taken by the Federal Communications Commission on the petition signed by 16 Members of the House of Representatives indicates the need of a congressional inquiry into the activities of this governmental agency. The protection which the Federal Communications Commission has accorded to the officers of the National Broadcasting Co. and those representing the Mexican Government who are alleged to have openly and flagrantly violated the Communications Act of 1934 is indicative of the fact that the Radio Trust is following closely in the footsteps of its parent body, the Power Trust.

"Further, the influence which the representatives of the Radio Trust apparently have with the members of the Federal Communications Commission is comparable with the power and

the influence which the Power Trust is credited with having with State regulatory bodies.

"Surely, the present head of the Broadcast Division of the Federal Communications Commission, one credited with being a high-class lawyer, must have had some objective in writing to Members of the Congress and quoting to them language from a court ruling which is not to be found in the case cited. Surely, when the Supreme Court has ruled on a violation of the Radio Act in 1931 it is not necessary to go back to 1883 and compare a violation of the Radio Act with postal violations.

"A few months ago a promiment radio station, located in one of our larger centers, was cited before the Federal Communications Commission for renewal of its license and charged with broadcasting a program which was and is offensive to millions of our people. The hearing in this case, as shown by the official minutes, clearly indicated the attitude of the present members of the Broadcast Division toward types of programs which are clearly offensive to a majority of our people.

"When the case was called the only witnesses who appeared before the Commission were those who were officers of or those who had a direct and personal interest in the continuation of the station. Despite the fact that many complaints had been filed with the Commission, only one deposition was taken by those who supposedly act for the protection of the people and for the proper supervision of radio licenses.

"Last month, after citing in a number of stations for violations of the law or the regulations of the Commission in putting on programs which, to say the least, were offensive, some 16 of these complaints were dismissed on nothing more than the promise of the licensees that they would not put on such broadcasts again.

"Congress has appropriated and is spending billions of dollars for relief of those unable to secure employment. The diversion of advertising from newspapers and magazines to radio broadcasting has, according to the officials of the international printing trades unions, deprived more than 40,000 skilled printing-trades workers of permanent employment. In addition, the false statements put forth by radio-advertising solicitors that people listen into the radio and obtain the same type of entertainment that they would by patronizing the theater has resulted in much of the depression which exists in the theatrical industry.

"During the past year or more the radio networks have established theaters wherein they put on shows and permit free entry only to those who are advertisers or those who are friends of advertising agencies which control the placing of

advertising. This constitutes an unfair trade practice toward the newspapers and the magazines which are dependent for their continued existence on the same advertisers.

"For the past few years there has been a great deal of complaint as to the type of motion pictures shown throughout our country. I believe, however, if taken as a whole, the type of radio programs poured forth into the homes of our American people are more offensive than many of the pictures complained of. At least, one does not have to patronize the pictures complained of unless he or she cares to. Yet, when one turns the dial of the radio we have but little knowledge of the type of program or address which will be dinned into the ears of our women and children.

"The national women's organizations, as well as many others, have made continual complaints as to the debasing influence of the type of programs weekly pouring into the homes of our people. Even the Chairman of the Federal Communications Commission has himself complained of the type of programs which are put on the air by many radio stations.

"Last year the Congress, as a result of the petition of numerous educational, religious, labor, and farm organizations, directed the Federal Communications Commission to study and report on what percentage of radio facilities should be assigned directly to organizations interested in educational, religious, labor, and agricultural promotion. The Commission, after listening to those who hold radio licenses, and to some others, reported that these non-profit-making bodies should continue to be dependent for radio facilities upon those who are interested, from past experiences, solely in profits.

"This and following correspondence, which I trust every Member will read carefully, clearly indicates that the only real cure the Congress can effect is to eliminate the profit motive from radio broadcasting, eliminate radio advertising, and then you will be able to substitute educational and cultural programs instead of the present debasing type of programs which those who listen in are forced to hear.

"There is pending before the House at the present time certain legislation which I sincerely trust will soon be enacted into law. A bill has been presented by Mr. Monaghan of Montana, providing for complete Government control and operation of all radio broadcast stations. This is the system which is now in force in most all civilized countries. This system is in successful operation in England and in Canada as well as other countries. This bill merits the active support of every forward looking and independently minded Member of the House. Another bill, presented by Mr. McKeough, of Illinois, will eliminate from radio broadcasting much of the alien propaganda heard now from time to time. This bill prevents the broadcasting of addresses or programs by, for, or, in the interest of any

foreign nation unless such program or address has the approval of the Secretary of State. Surely, there is no Member of the House who believes that licensees of the Government should derive a profit for broadcasting alien propaganda into the homes of the American people. I sincerely trust that these two bills will be favorably reported by the Interstate Commerce Commission and soon enacted into law."

Following this there was a lengthy letter from Representative Connery to Secretary of State, Hull, and numerous letters exchanged by Mr. Connery, Chairman Anning S. Prall of the FCC, and Judge E. O. Sykes, head of the Broadcasting Division, occupying about four pages in the Congressional Record of July 31.

X X X X X X X X X

AGAIN WIRED RADIO DEVELOPMENT TALK

The mid-summer season is bringing with it a revival of the talk of wired radio. This is based upon a resumption in Cleveland of a subsidiary of the North American Company supplying entertainment programs transmitted throughout the city by wire.

Also, the Ticker News Service, it is announced, will soon operate 250 loudspeakers in Philadelphia connected by wire from a central broadcasting point through which will be given flashes on news and sporting events with musical programs in between to help while away the time.

That the Cleveland proposition looks good to the American Society of Composers and that they believe there are possibilities for increasing their revenues is the report that the composers have already been conferring with the Cleveland people and they expect eventually that the royalties of the Society may be increased several million dollars annually with the development of wired radio.

A try-out of this form of entertainment was made several months ago in Cleveland at which time it was announced that it was felt that there was a public demand for wired radio there and that,with a reasonable assurance that the people wanted it, this would be given to them. A satisfactory conclusion was reached by the Company which resulted in the present continuance.

The rates vary from two to five dollars a month depending on the type of receiving set rented. The plan is to provide 250 hours of programs each week, a large part of which will be music. The transmission of the wired radio program is direct into the homes over electric light wires. The broadcasting is done from a centrally located studio of special t

records made by Electrical Research Products Incorporated.

There will be no advertising carried by the Cleveland people but commercial announcements will be a part of the Philadelphia wired radio news bulletins.

How successful wired radio will be in the United States remains to be seen. In some foreign countries it has been received with favor but evidently the residents of The Netherlands West Indies, the latest information reports, are not looking upon the innovation with any great favor.

"The Curacaosche Radio Centrale, a subsidiary of the N.T.M. Radio Holland, N.V., Amsterdam, has installed a central wired-wireless station at Willemstad for reception of programs from certain countries", Consul Russell M. Brooks of Curacao reports. "It is said that approximately 50,000 florins have been expended in placing wires and cables throughout Willemstad.

"The Curacaosche Radio Centrale proposes to give subscribers a choice of programs from the following countries: The Netherlands, England, France, Germany, Venezuela and Colombia. Programs from the United States are not included.

"The principle upon which the scheme is worked is to place in each subscriber's home an apparatus which allows the subscriber to plug into the station he prefers.

Reports indicate that the response to the offer of the Curacaosche Radio Centrale has been extremely small. In the first place, costs are high -- 12.50 florins per installation, the purchase of a loudspeaker, and 5 florins per month subscription; secondly, the radio amateur does not desire selected programs; and in the third instance, elimination of the United States from the list of broadcasting countries has greatly injured demand. American programs, on the whole, are much more popular than programs from European countries.

"It is understood that the Netherlands firm of N. V. Phillips Gloeilampen Fabrieken, Eindhoven, Holland, controls the Curacaosche Radio Centrale."

Still another invasion of the radio field is a new phonograph which the Electrical Research Products Incorporated is said to have just finished. This is an elaborate and mechanically perfect device for reproducing in high fidelity style and has all the latest gadgets from double turntables down. It is possible that it will not be sold, but rented or leased only, and will be suitable for use in public auditoriums, etc., and for other public entertainment purposes. The new ERPI product will probably play only on the ERPI machines and there will be no advertising on any of the records.

X X X X X X X

DUNLAP SKETCHES HISTORY OF RADIO

The recent strides in television, in photo radio in ultra-short waves, and radio applications in man's fight against body ailments, have led to an expansion of "The Story of Radio" by Orrin E. Dunlap, Jr., radio editor of the New York Times. All of the remarkable advances in radio since the book was first published in 1927 are included in additional chapters in this new and enlarged edition, enhanced by thirty-two illustrations. A complete new chapter deals with the sending of pictures by radio, and the march of research specialists into the ultra short-wave spectrum takes up another chapter in which the relation of microphones to television, power transmission by wireless broadcasting and other branches of this realm of radio science is unfolded. A most comprehensive chapter on the magic ultra-short waves discloses what the experts have learned about the mysterious channels and what they foresee ahead. Short waves and the associated all-wave receivers, having opened up international broadcasting on a world-wide scale, have intensified interest in the various systems of broadcasting and a new chapter compares the plans in vogue in Europe and America.

Various chapters are captioned as follows: "It Speaks for Itself"; "Transatlantic Triumphs"; "Dramatic Moments"; "Enrolled for War"; "With Pioneer Birdmen"; "Secrets of Marconi's Magic"; "Turning Points"; "Looking through Space!" (Television); "Minature Waves or Dark Light"; "Pictures by Radio" and "American versus European Radio".

Orrin E. Dunlap, Jr. is one of the world's foremost authorities on radio. He has been in direct touch with wireless development since 1912 and with every major advance in broadcasting and television. He is the author of five books on radio. The chapters he has added to "The Story of Radio" make it the latest and most informative book in the field. It covers radio from the time when Maxwell and Hertz pointed the way for Marconi, right up to the newest discovery in ultra-short waves as applied to television.

The new book is dedicated by Mr. Dunlap to his wife, Louise Leggett Dunlap. Among the thirty-two illustrations are photographs of Marconi, Dr. Lee De Forest, the late C. Francis Jenkins and Dr. E. F. W. Alexanderson. The price of "The Story of Radio" is $2.75 and the publishers are the Dial Press, 152 West 13th Street, New York City.

X X X X X X X

WOULD PERMIT SENDING SHIP POSITIONS TO NEWSPAPERS

A bill was introduced by Representative McCormack of Mass. which would permit radio companies furnishing reports of positions of ships at sea to newspapers either at nominal charge or without charge provided the name of the company is used.

It has been the practice of ships to report their position to the nearest land station and up to a short time ago this information was supplied free to the newspapers. However the FCC, hot on the trail for anything free, issued an order discontinuing any such service.

X X X X X X

REQUESTS FEDERAL FINANCING FOR RADIO

Further financing of radio sales under the Federal Housing Administration law has been applied for by Bond Geddes, vice-president of the Radio Manufacturers Association, with the active support of several large companies. The new proposal to the Federal Housing Administration is that the FHA financing privileges be extended to receiving sets selling at $75 or more. In the past the federal agency has declined to extend its financing privileges to such radio sets and many other "movables". The FHA rules have specifically excluded radios, unless built-in, from its financing benefits. Built-in radio is eligible for FHA financing and it is now hoped to extend the federal financing system to the more expensive type of radio sets, similar to the financing privileges available in sales of refrigerators and recently extended by the FHA to washing machines.

X X X X X X X

FRENCH CITIES TO HOLD RADIO FAIRS

The Syndicat des Radioelectricians du Nord de la France have announced the organization of a radio fair at Lille from September 20th to September 29th.

Another radio fair is to be held in Lyon from September 21st to September 29th, at the Palais de la Foire de Lyon. Approximately 250 manufacturers will be represented and a special part of the exposition will be devoted to phonographs, records, photography and cinema, Assistant Trade Commissioner, Lestrade Brown, Paris, advises.

X X X X X X X X

RMA STANDARDS PROPOSED FOR NEW METAL TUBES

Introduction of the new metal tubes for radio sets, presenting many new engineering problems, has been met by the Radio Manufacturers Association in providing industry standards for the new tubes. The proposed Metal tube standards were adopted at a meeting July 25 in New York by the Tube Committee of which Roger M. Wise is chairman, and the proposed standards have been submitted to Association members by Chairman Virgil M. Graham of the Association's Standards Section. Many other tube engineering problems also will be considered at another meeting of the T ube C ommittee, August 2, in New York

X X X X X

CBS REPORTED OUT OF PRESS-RADIO IN MONTH

Indications are that CBS will by the end of August cease to be a member of the press-radio pact. Variety advises, "With the breakaway from the Press-Radio Bureau of the Publishers National Committee on Radio, the network will give up its thrice daily broadcast of news bulletins.

"NBC will, by virtue of the situation, probably be forced to follow suit if deal now pending is closed with the Atlantic and Pacific Stores for five 15-minute news programs a week. A. & P. shifted negotiations for the series from CBS to NBC after the former contracted to release a quarter-hour version of the 'March of Time' five times a week, starting August 26. With the store chain figuring on obtaining its material from the United Press and making the program a combination of news bulletins and dramatizations, NBC would, by accepting the proposition, have no alternative but to consider its adherence to the press-radio agreement as completely ended.

X X X X X X

FTC GETS AFTER RADIO CORRESPONDENCE SCHOOL

The National Electrical & Automotive School, Inc., of Los Angeles, Calif., has entered into a stipulation with the Federal Trade Commission to discontinue misrepresenting its correspondence courses in radio engineering which include instruction in radio, television, sound pictures and general electricity.

The school agrees to stop advertising directly or indirectly that its salesmen do not sell correspondence courses and to discontinue implying that the salesmen represent industrial firms in selecting men for definite positions.

It was advertised that "a limited number of men are now being selected to train for positions in radio and television. Those accepted will be given preliminary training at home and then taken to Los Angeles for special practical experience in the 'National' studios. Transportation paid both ways". The school agrees to drop these claims which are not true.

COPYRIGHT BILL MEETS STRONG SENATE OPPOSITION

The copyright bill, endorsed by the National Association of Broadcasters and opposed by the American Society of Composers met with spirited opposition when it was taken up for consideration in the Senate Wednesday afternoon. The debate was continued through Thursday's session and will be again taken up as the unfinished business of the Senate when it reconvenes Monday.

Senator Copeland (D) of New York who is backing the Composers in their opposition to the copyright bill vigorously protested consideration of the bill at this time. "There are very serious objections to the bill, according to my constituents; and, frankly, I do not understand why it is thrown into the Senate for discussion at a time when there is no urgency about it", Senator Copeland declared.

"This is not at all an emergency measure. The country is going to go on just the same whether or not the bill is considered; and I believe that by taking it up we shall open ourselves once more to the criticism of dealing with trivial things at a time when serious matters ought to be given consideration.

"This measure is in no sense vital. The great interests of the American people are not involved in it. I think that at this time, when we ought to be approaching adjournment, and when the country wants the Congress to adjourn, it would be a great mistake for us to take up another matter which would keep us here several days longer."

Senator Duffy (D) of Wisconsin, sponsor of the bill said that the copyright treaty had been on the calendar since April 18 and that the copyright bill was largely an enobling act for the treaty.

"There has been pending for 5 years before the Foreign Relations Committee of the Senate a treaty dealing with safety of life at sea, a matter of great concern to everybody who goes upon the seven seas", the New York Senator retorted. "For 5 years it has been pending, but we have not been able to get any action upon it; and now suddenly we find that the most important thing which can engage the attention of the Senate of the United States is a copyright bill!

"I cannot see the force or the sense of the suggestion. I think we are losing our sense of proportion when we spend our time considering trivial things when there are matters of vital importance which do not attract our attention.

"We are making a spectacle of ourselves before the country by remaining in session when we ought to finish our business and go home.

"We are not going home to a vacation. Every Member of the Congress has duties to perform when Congress is not in

session; but the country is sick and tired of the C ongress of the United States and wishes to get rid of us as soon as possible; and so far as I am concerned, I confess that I share the popular belief that that is very good judgment on the part of the people."

There was another flare-up when Senator Wallace White (R) of Maine, said: "The statement was made that the bill comes before the Senate with the unanimous approval of the Committee on Patents. I do not dare say whether or not that is an accurate statement. I know that I attended one meeting, which I understood was a meeting of subcomittee, and I recall very definitely that I indicated my approval of the report of the bill, but, as I understood it, it was a report to the full committee and not a report to the Senate. If the record shows to the contrary, I am just in error, and was in error at the time in my understanding of the meeting which I attended.

"I confess with reluctance to a very hazy knowledge of this piece of proposed legislation. It istrue I am on the committee, but I am on five other legislative committees, and I am on a number of special committees, and I have given no serious consideration to this measure. I know that there is substantial support for it, and I know that there is very strong opposition to it. So far as I am concerned, I am perfectly willing that the bill should be considered, but I rather hesitate to have it appear as a matter of record that I voted to report the bill to the Senate."

During the course of the debate, Senator Duffy said that even C . C. Mills, the general manager of A.S.C .A.P. who bitterly assails the feature of the bill which will do away with the $250 minimum damage, said, in a letter of April 17, referring to the bill: "Regardless of those portions of it to which we may take exception, I do think the committee has attempted to do a sincere and a constructive job."

X X X X X X

RCA QUARTERLY EARNINGS GAIN

The Radio Corporation of America reports for the three months ended on June 30 a net income of $671,110 after expenses, depreciation, amortization of patents and provision for Federal income taxes. This is equivalent, after divident requirements on the 7 per cent preferred A stock of $50 par value, to 31 cents a chare on the 767,275 preferred B stock. In the June quarter last year the company reported a net income of $535,856, or 13 cents a share on the preferred B stock.

For the six months ended on June 30 the company had a net income of $2,289,135, equal after dividend requirements on the preferred A stock to $1.85 a share on the preferred B stock. In the first half of 1934 the company reported a net income of $1, 771,581, or 1.18 a share on the preferred B stock. At the

close of last year there were 13,130,690 common shares outstanding.

In the June quarter gross income from operations amounted to $18,742,979, compared with $17,285,873 in the corresponding quarter of 1934. Surplus on June 30 totaled $10,425,632 against $11,040,671 on June 30, 1934.

X X X X X X

INDUSTRY NOTES

The Broadcast Division of the FCC has granted the application of Station WCAE, Pittsburgh, for increase of daytime power from 1,000 to 5,000 watts.

A favorable recommendation has been made by Examiner George Hill for Station WTAQ, Eau Claire, Wis., for unlimited daytime hours of operation on 1330 kc and to allow the voluntary assignment of its license to Station WHBY, Green Bay, Wis.

Commissioner George Henry Payne has issued a lengthy opinion in which he explains his reasons for dissenting, in part, from the order of the Telegraph Division of the FCC setting the rates on Government telegraphic messages for the fiscal year which began July 1.

The renewal of the license of Station WMCA, New York, cited for carrying the Bircongel advertising, has been granted by the Broadcast Division. Although WMCA lost no time dropping the objectionable advertisement it is just possible in the formal opinion of the Division now being prepared that there may be some form of censure but if so that will end the incident.

X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL—Not for Publication

INDEX TO ISSUE OF AUGUST 6, 1935

No. 849

NATIONAL 10-STATION NETWORK FOR SPAIN

A new 10-station governmental network of broadcasting stations, possibly to be supplemented later by a new 20,000 watt short-wave station for the dissemination of programs of international interest, is included in Spain's enlarged program of radio development, Assistant U.S. Trade Commissioner, Miles Hammond, at Madrid, advises.

The legislation authorizing the national network provides for a gradual elimination of existing stations as their concessions expire, with a proviso that stations will be continued where the replacing national stations are not operating by the date of such expiration.

The national chain is to include a 150,000-watt long-wave station at Madrid and nine stations on the broadcast band; a 60,000-watt station in Seville province; 50,000-watt stations in Madrid and Barcelona provinces; 30,000-watt station in Couina and V izcaya; a 20,000-watt station in Valencia; and 5,000-watt relay stations in Murcia and Oviedo. The tenth station will be of 10,000 watts, in the Canary Islands.

W ith the construction of the 10 stations above described, receiving license fees will be materially increased, it is stated at Government offices. Although provision was made for license fee increases in a law passed in 1934, these have not been put into effect, pending the completion of the national "net work". Under that law crystal sets would be assessed 150 pesetas a year; one to five tube sets 12 pesetas a year; more than 5 tubes, 24 pesetas a year. A peseta is about 30 cents, U.S. Loud speakers in public places, casinos and those operated by all recreational societies and loud speakers in public places collecting entrance fees would be taxed.

A license fee of 5 pesetas a year has been in effect for sets installed in private homes and automobiles. When the set is to operate in a public place, restaurant, bar, etc., the fee is 50 pesetas a year.

Approximately 80 percent of all sets in Spain is estimated to be of the socket power receiving type and all-wave sets surpass all others in popularity, according to present sales information, and may for the present be considered the standard marketable type.

It is estimated that since January 1, 40,000 radio receiving sets have been sold in Spain of which fully 30,000, it is stated, would be all wave sets. Of these, it is estimated fully 85 percent are portable or table type receivers. The percentage of all wave sets in operation is believed to be 25 percent of the estimated total of 500,000 receiving sets owned in Spain. It is expected that this percentage of all wave sets to total sets will markedly increase, owing to the present active demand for all wave receivers.

Generally it is estimated that American sets account for 60 percent of all sales. About 20 percent is allotted Philips of the Netherlands; about 8 percent to Germany and the remaining 12 percent among Great Britain, Belgium, and other countries. The outstanding foreign sets are "Philips," "His Master's Voice," "Telefunken," "Nora," "Seibt," "Blau - Punkt" (sold under the trade name, "Punto Azul"), and "Ericsson, S.A. This latter make, it is stated, has not obtained an appreciable amount of business as yet, inasmuch as it sells for 1,150 pesetas for the five tube set, which is higher than similar foreign products.

Tube imports by weight from the United States increased by 333.3 percent in 1934 contrasted to 1933, whereas total tube imports by weight during the same comparative period increased 187.1 percent.

Sales in automobile sets have not been active. No steps whatsoever, it is stated, have been taken by the Government to conduct any experiments in television. Private activities in this matter have been likewise negative in recent years.

A 10 page mimeographed report "Radio Markets -- Spain" may be had by sending 25 cents to Andrew W. Cruse, Chief, Electrical Division, Bureau of Foreign and Domestic Commerce, Washington, D C.

X X X X X X X X

HIS FAITH IN RADIO

Paul Thiesen, the vaudeville orchestra leader, was offered the conducting job on the original A. & P. Gypsies radio program 13 years ago, but turned it down because he had three stage weeks booked and didn't want to cancel them, Variety recalls.

Harry Horlick, who got the job when Thiesen turned it down, concludes on the air show shortly after a solid run of 13 years. That's the long-time record for radio.

X X X X X X X X

WOULD DOUBLE WDRC HARTFORD DAYTIME POWER

The daytime power of Station WDRC , Hartford, will be increased from 2,500 to 5,000 watts daytime on 1,330 kc if the favorable recommendation of George H. Hill, Examiner, is approved by the FCC.

In his conclusions, Examiner Hill sets forth:

"The applicant is legally, technically, financially, and otherwise qualified to operate Station WDRC with the proposed increase in power. The programs broadcast by the applicant have been generally meritorious and designed to serve the Hartford area.

"The proposed operation of Station WDRC would make possible the extension of its service over an area and to a population greatly in excess of that now served, and would improve the reception conditions in the area now being served. There would be no interference during actual daylight hours to areas served by Station WFEA, Manchester, N.H. on 1340 kc if this application were granted, and if there were any interference it would be during the period of an hour or two before sunset, and then only on receivers which do not have sufficiently high selective characteristics. Due to high attenuation in the Hartford area and the frequency involved, no objectionable interference would be expected to any other existing service."

Station WTIC , operating with power of 50 kilowatts at Hartford, Conn. is the only station rendering consistent service to this area in the daytime.

The balance sheet of Station WDRC as of June 1, 1935 reveals according to the Examiner's report, total assets of $93,781.88 consisting of cash $257,72, bank accounts $42,097.36, accounts receivable $14,143.47, notes receivable $1,767.45, building $6,135.32, furniture and fixtures $7,053.79, transmitter radio equipment $17,499.03, studio equipment $2,127.74, antenna equipment $2,700.00, liabilities exclusive of capital stock and surplus $2,899.87, consisting of accounts payable $1,696.30, and reserve for State Income Tax $1,203.57. The capital of the corporation is $5,000.00 and the surplus amounts to $85,882.01.

Franklin M . Doolittle is President and Treasurer of WDRC, Incorporated, and is the Manager of Station WDRC, which position he has occupied since 1922. Sterling Couch has been Program Director for the past seven years. The station maintains a staff of fifteen full time employees.

The station is affiliated with both the C olumbia and Yankee networks.

X X X X X X X X X

- -

MAP SHOWS POLICE RADIO CO-OPERATION

Frank Jenkins, Radio Editor of the Boston Herald-Traveler, has forwarded to the Federal Communications Commission a map showing the police teletypewriter system now in operation in Connecticut, Massachusetts, New Jersey, New York, Pennsylvania, Rhode Island and connections with Delaware and Ohio.

The map is most illuminating and descrives in a graphic manner how extensively the police are utilizing radio in their fight against criminals and for the protection of law-abiding citizens.

Mr. Jenkins sent a copy of the map to the Federal Communications Commission where it is conspicuously displayed in the "Map Room."

In acknowledging receipt of the map, Lt. E. K. Jett, Assistant Chief Engineer, in charge of allocation of police channels, said:

"We consider this map a valuable contribution to the files of the Engineering Department and I wish to thank you for your courtesy in furnishing it."

The Bureau of Investigation of the Department of Justice also expressed considerable interest in the map.

X X X X X X X

CROSLEY SHOWS SUBSTANTIAL PROFIT

The Crosley Radio Corporation of Cincinnati and subsidiaries, for the quarter ended on June 30, showed a net profit after royalties, taxes, depreciation and other charges, of $180,213, equal to 33 cents a share on 545,800 no-par capital shares compared with $340,668 or 62 cents a share in June quarter of 1934.

X X X X X X X

ORGANIZE CHICAGO RADIO CLUB

Radio Club, a new organization for radio talent and advertising men connected with commercial broadcasting, has been established at 433 North Wells Street, Chicago, under the management of Jack Deynzer. The club quarters are swanky and a unique feature of the restaurant service is the ordering of food and drinks by telephones connected with every table. Membership is selective. The roster includes many famous names, such as

Amos 'n' Andy, Edgar A. Guest, Don Ameche, Lum 'n' Abner, Vice & Sae, Harlow Wilcox and Hal Totten. An added feature of the club is its radio service bureau through which all advertising agencies, radio executives and producers can contact radio talent.

X X X X X X X

DUAL TRANSMISSION OF RADIO BEACON AND VOICE TRIED

A Bureau of Air Commerce radio station now undergoing practical service trials at Pittsburgh, Pa. represents four important advances in radio transmissions for airmen. This broadcast and radio range beacon station:

(1) Transmits voice and directional signals simultaneously, so that there is never any interruption of the radio beacon for radio telephone broadcasting.

(2) Transmits its directional signals so that they can be received aurally in the pilot's headphones, or in an instrument which gives visual readings with a needle on a dial.

(3) Is better for use with an airplane's radio direction finder than present standard radio range beacons.

(4) As a result of 1 and 3, gives more efficient assistance than present standard types for an approach to an airport under conditions of poor visibility. (However, it is not an alternative to the Department's instrument approach system.)

In a demonstration for representatives of scheduled air lines and manufacturers of radio equipment recently, the Pittsburgh station gave evidence that its new features are efficient and practicable. In flights of an hour to an hour and a half each, B ureau pilots simulated conditions under which an airman might be lost and searching for the radio range course, or for the airport and in each case the equi-signal zone was found promptly and followed to the landing area.

With a station of the Pittsburgh type, the pilot would have o other assistance not now available at radio range beacon stations. In addition to features already mentioned, this station is equipped with a high frequency radio marker beacon which tells the pilot when he is passing through the cone of silence by flashing on a light on the instrument panel.

X X X X X X X X X

AGREES TO FEDERAL TRADE "ALL-WAVE" STIPULATION

Hugo Gernsback, of 101 Hudson Street, New York City, doing business as Radio Trading Co., has entered into a stipulation with the Federal Trade Commission to discontinue use of the words "All-Wave" in the sale of radio sets which are not capable of reception over the entire meter range covering all broadcast and commercial transactions.

Gernsback also agrees to cease representing in substance and effect that by the use of his radio receiving sets owners thereof can have worldwide continuous reception of short wave transmissions, with loud speaker volume, as dependably and as easily tuned in or "logged" as with long-wave or broadcast transmissions.

The stipulation points out that in the present state of the art the reception of foreign short-wave bands is difficult and uncertain and that these conditions are known to experts but not generally to the purchasing public. Gernsback agrees to stop presenting the advantages of his products in such a way as to conceal their difficulties and deficiencies.

He also agrees to stop using the phrase "Manufactured by Radio Trading Company, New York", when in fact he is not a manufacturer but purchases the products he sells from the manufacturers thereof.

X X X X X X X X X

COMPARES STATION ACCURACY TO CHRONOMETER

Some interesting data were provided by M . Braillard, President of the Technical Commission of the International Broadcasting Union and Director of the Brussels Control Center, with regard to the remarkable improvement in the technical precision of the European broadcasting stations in recent years. It was shown that whereas ten years ago broadcasting stations were known to fluctuate from 1000 to 3000 cycles from their nominal frequency during the course of a few hours, today the principal European stations do not fluctuate more than one cycle in a month from their established frequency. A better impression of this high degree of accuracy may be gained when it is realized that a station operating say on 300 metres emits electrical impulses of an order of one million each second. The accuracy of the best chronometer cannot be compared in performance with the accuracy of a well-installed and well-operated modern broadcasting station.

X X X X X X X X

8/6/35

SENATOR ATTACKS ASCAP IN COPYRIGHT BILL DEBATE

Senator Duffy of Wisconsin, sponsor of the Copyright bill now under consideration in the Senate, which has the endorsement of the Broadcasters, bitterly attacked the American Society of Composers, opponents of the bill.

Senator Duffy said that as the law stands now no matter how innocent an infringement the minimum damages a court can avoid is $250. The new bill does away with that but provides a maximum from $5000 to $20,000 which however would be determined by the court.

"In the present law there is a protection against innocent infringement", Senator Duffy declared, "which has been developed into a racket by means of spies and snoopers going around and getting a percentage of the statutory damages of $250, which the court has had to impose. That is what the courts objected to; that is what the United States district attorneys have written about and objected to. It is not right, and it is not fair. It is that provision to which A.S.C .A.P. objects.

"By the way, A.S.C.A.P. is being prosecuted by the Federal Government in the southern district of New York by reason of alleged violations of the anti-trust law. I do not know, of course, how the case will come out, but at least it is serious enough to invite prosecution. A.S.C.A.P. has become so monopolistic, has secured such complete control, and has become so powerful -- and it is headed by a very good friend of mine, but that does not change the situation -- that it has been able to employ a system of snoopers to divide up the $250 minimum that the court may award.

"Sometime ago I had a case called to my attention where in a pool hall, I think it was, returns were being received from a baseball game and some copyrighted music came over the radio. The man who turned on the radio did not know copyrighted music was going to come over the air; he had no means of knowing it. Those present were there to listen to the returns of the ball game and not to listen to music; but because of that innocent infringement although the broadcasters had paid A.S.C.A.P. for the privilege of broadcasting that particular song, the proprietor of the place was subject to the $250 minimum statutory damages.

"When evidence is presented of music coming into a particular place by radio or on a phonograph, if the person responsible has not secured a license beforehand he is subject to the $250 minimum of damages. I think that is one of the most shameful things in the whole Federal law; it savors very much of the abuses of prohibition times.

"I feel certain that the man who composes music or composes a song should have protection, and if someone else wants to use it, he should pay the composer for it, and if it has been deliberately infringed, adequate damages ought to be paid. Because the broadcasting companies have such great facilities, we thought we ought to raise the $5000 limit to $20,000. That is the way it now appears in the bill. Whereas heretofore the courts would not have been able, as statutory damages, to give judgment for more than $5000 now under this bill the courts can go as high as $20,000."

The following day Senator Duffy again referred caustically to the fight the Composers were making on the bill.

"I cited yesterday, but some of the Senators now present were not here then, that if it were not for the elimination of the $250 minimum statutory damage provision, which is cut out in the pending bill, I feel that the bill would have gone through on the Unanimous-Consent-Calendar, but the American Society of Composers, Authors, and Publishers, which isbeing prosecuted by the Federal G overnment for violation of the Sherman Anti-Trust Law at the present time, has made such effective use of that provision and has gone around and held up the little people around the country", Senator Duffy continued.

"I have a letter from a man who had a little place of amusement up in northern Wisconsin, open only during a season of 3 months. He tells me the representatives of this society came around to his place, having heard one day copyrighted music come over the radio, and the first thing he knew they said, 'You are subject to a penalty of $250, statutory damages, the minimum damages, but it will be much cheaper to get a license.' So they let him start out with a license of $15, then they got it up to $25, then whooped it up to $35, and there is no limit to where they could go. They have used that as a means for having snoopers and spies going around and reporting violations, getting a proportion of the $250, which is the minimum a court may assess, or they have used it as a club to make little concerns take out licenses at their own figure.

"They certainly have used it; and the practice has been carried on for some years, and has caused great resentment in many parts of the country. What happens is as follows: We will say that an author belongs to this organization. He assigns his copyright to the organization, and the organization sends out its "investigators", as they are called; and what occurs is much like what occurred during the old prohibition days. The system followed by the investigators is something like this: They say, 'We have the goods on you. You are subject to a penalty of $250 for each violation. That is the minimum. You had better take out a license, no matter whether your place of business is going to be open one day or not.'

"One case, concerning which I received a letter, had to do with a barn where a barn dance was given. I do not know whether they had more than one dance in that barn in a year. In that case it was a question of taking out a license or being haled into the Federal court and being subject to a minimum penalty of $250."

"The Senator from Wisconsin is eminently correct in his statement" Senator Russell (D) of Georgia, interjected. "I have had any number of similar letters from persons residing in the mountain districts of Georgia. Those persons during the summer months take in boarders who come up from the southern section of the State. The organization to which the Senator refers sent agents through those mountain districts and caused those persons no end of trouble. They are persons of very moderate means, and the organization put them to very great expense and caused them agreat deal of annoyance. For that reason, I strongly support the bill offered by the Senator from Wisconsin."

"I wish to ask the Senator from Georgia", Senator Barkley of Kentucky inquired, "what connection the operation of a boarding house has with the copyright law. I do not get the connection."

"The persons who operate boarding houses get programs over the radio", Senator Russell replied. "Some of the copyrighted songs are played upon the radio program, and a small dance will be given, and perhaps four or five people will dance for a short while in the dining room of the boarding house.

"Dancing to the music which comes over the radio?"

"Yes", Mr. Russell answered.

"Confirming what the Senator from Wisconsin said", put in Senator Connolly of Texas. "I know of a specific instance which occurred in my State. A woman ran a small hotel. She had a phonograph and she played music on this phonograph for her regular boarders. She was haled into the Federal Court and had to pay $250 and there was no way in which she could avoid the payment of the $250 in the Federal court simply because she played on her phonograph a piece of music which someone had copyrighted."

X X X X X X X X X

RMA REQUESTS SPECIAL SALES STATISTICS FROM U.S. CENSUS

Following allotment by the administration to the U.S. Census Bureau of a special appropriation for a new 1935 census of commodity sales, the Radio Manufacturers Association through Bond Geddes, Vice President, has requested the Census Bureau to make the federal statistics more valuable by securing details of radio sales from jobbers and dealers.

Separate statistics to show sales of new radios, used or second-hand radios and also built-in radio equipment have been requested by Mr. Geddes and are now under favorable consideration by the Census Bureau. The commodity sales census to be secured from radio jobbers and dealers is distinct from the annual federal radio manufacturing census.

X X X X X X X X X

RCA AHEAD OF PARIS ON FALL STYLES

Next fall's styles in Paris hats were revealed by radio to New York women long before the average woman of Paris knew what it was all about. To the exclusive openings of Paris designers, which have just started, Miss Leona Evans, millinery buyer for James McCreery & Company, took a fashion artist. "Sketch that one," she told the artist, "and that one, and that one --" as models appeared wearing hats which Miss Evans considered most distinctive, and which she intended to buy.

The artist sketched; the sketches were hurried to an airplane; hopped to London, and placed on the photoradio circuit to America. Within twenty minutes after the London station started sending, the reproduction was completed in the New York offices of R.C.A. Communications, Inc. And that is how New York women, looking through their newspaper style sections were three or four jumps ahead of the women in Paris.

The designs sketched were creations of Agnes, Suzanne Talbot, Blanche et Simonne, and Rose Descat. Mrs. Pegeen Fitzgerald, publicity director of McCreery's who completed the arrangements for the store, said today that the store's work-rooms started at once on adaptations of the styles, and that they would be offered to New York women much sooner than under the usual plan of waiting for the originals to arrive from Paris. She said it was possible that the idea of sending sketches of new style creations by photoradio would be applied to other lines of merchandise.

X X X X X X X X

APPLICATIONS GRANTED FROM BROADCAST DIVISION OF FCC

WESG, Cornell University, Elmira NY, extension of spec. exp. suth. to operate daytime to sunset at New Orleans on 850 kc with power of 1 KW for period ending Feb. 1, 1936; WBAL, The WBAL Brdcstg Co., Baltimore Md, extension of Spec. Exp. Auth. to operate simultaneously with KTHS on 1060 kc, 10 KW, from 6 am to sunset at H ot Springs, Ark. and to operate on 1060 kc, 10 KW from sunset at H ot Springs to 9 pm, EST and to synchronize with WJZ daily except Sunday on 760 kc, 2½ KW after 9 pm, EST, Sunday, after 8:45 pm EST; KTHS, Hot Springs Chamber of Commerce, Hot Springs Natl Park, Ark., extension of special exp. auth. to operate simultaneously with WBAL from 6 am to local sunset and to remain silent from LS to 8 pm, CST, and to operate from 8 pm to midnight on 1060 kc, 10 KW for period of 6 months; WTIC, the Travelers Brdcstg. Serv. Corp., Hartford, Conn., extension of special exp. auth. to operate simultaneously with station KRLD, 1040 kc, 50 KW, unltd. for period ending Nov. 1, 1935; KRLD, KRLD Radio Corp., Dallas Tex., extension of special exp. auth. to operate simultaneously with station WTIC from Aug 1, 1935 to Nov. 1, 1935.

Also, WJAG, the Norfolk Daily News, Norfolk, Neb., extension of spec. temp. auth. to operate on 1060 kc, with 1 KW, ltd time for the period Aug. 1, 1935 and ending Feb 1, 1936; KWJJ, KWJJ Broadcast Co. Inc. Portland Ore., extension of spec. temp. auth. to operate on 1040 kc ltd time and resume operation from 9 pm to 3 am PST for the period Aug 1 to Nov. 1, 1935; New, Carter Publications, Inc., Portable-Mobile, Fort Worth Tex., CP for broadcast pickup station in temporary service for rebroadcast over station WBAP, freqs. 1606, 2020,2102, and 2760 kc, 50 watts; New, The Pulitzer Publisher Co., P ortable-Mobile, St. Louis Mo., CP for new gen. exp. station, broadcast pickup on exp. basis, freqs 31100, 34600, 37600, 40600, 86000-400000 kc; 5 watts. unltd time.

Also, New, Frank O. Knoll and Julian F. McCutcheon, St. C loud, Minn., CP for new spec. gen. exp. station; freqs. 31600, 35600, 38600 and 41000 kc, loo watts. unltd. time; New, Radio-Service Corp. of Utah, Portable-Mobile, Salt Lake City, Utah, CP for broadcast pickup station in temporary service; freqs. 1646, 2090, 2190 and 2830 kc, 200 w.; New, Westinghouse E and M Co., Portable-Mobile, Chicopee Falls, Mass., CP and license for new gen. exp. broadcast pickup station on an exp. basis; freqs. 31100, 34600, 37600 and 40600 kc, 150 watts; WIOXFH, National Brdcstg. Co. Inc., New York City, renewal of spec. exp. portable-mobile station license to be used to obtain propagation data in connection with a balloon flight to the stratosphere and to transmit messages for rebroadcast purposes in order to inform broadcast listeners of the progress of this scientific undertaking; 13050 kc, 10 watts, for period of 90 days from August 1.

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL—Not for Publication

INDEX TO ISSUE OF AUGUST 9, 1935

No. 850

ALLEGING CENSORSHIP, DOCTORS ASK FOR RADIO FREEDOM

Although saying that it has been their experience that the broadcasting companies and local stations are liberal in their cooperation with the medical profession, Dr. W. W. Bauer, Director, Bureau of Health and Public Instruction, American Medical Association, declares a censorship exists nevertheless and has asked the Federal Communications Commission to provide even greater freedom of speech to members of the Association when broadcasting. Addressing the Commission, Dr. Bauer said:

"The American Medical Association, while duly appreciating the cooperation of the broadcasting interests, nevertheless is constrained to represent to the Commission that certain practises and situations in the field of educational broadcasting require attention and should be modified if possible in the interest of the listening public.

"Speakers on scientific topics are limited in what they may say, with particular reference to the following matters:

"(1) Medical speakers on health topics are not permitted to make general statements of established fact which may interfere with products advertised by radio, even when no specific product is mentioned and when the truth of the proposed statement is not in question. This is entirely aside from specific objections to certain medical advertising.

"(2) Speakers are limited with respect to certain topics, particularly the important public health problem of venereal diseases, by virtue of a public taboo on mention of these topics. It is recognized that this taboo is not a creation of the radio industry, but is merely reflected by that industry. Nevertheless, it puts a great handicap in the way of public health progress. The so-called social or venereal diseases, and particularly syphilis, constitute in the opinion of many competent observers, the most important public health problem before the United States today.

"(3) Radio speakers are required to accept censorship from the owners of broadcasting facilities or incur the penalty of being barred from the air.

"The American Medical Association has no authority to speak for any group other than itself. However, in behalf of its approximately 100,000 members, the American Medical Association and its county and state medical societies respectfully suggest to the Federal Communications Commission that provisions be made whereby:

"(1) The duly authorized representatives of organized medicine, when speaking on behalf of a medical society, may have complete freedom to present scientific facts even tho these may be inconsistent with the claims made for fads, frauds, patent medicines, quackery, and other medical abuses, without liability on the part of the owners of radio facilities, such speakers in turn to accept on behalf of their organization and themselves full responsibility for whatsoever they may say. We are quite willing to concede that responsible organizations holding divergent views should have like privileges.

"(2) That provision be made whereby the medical profession, public health organizations, and the radio industry may arrive at some means by which the taboo against discussion of the venereal diseases and their prevention, may gradually be overcome in order that adequate public discussion, subject to the limits of good taste, may be facilitated.

"(3) The medical profession, as well as the public, is vitally interested in proposed social changes which will affect the delivery of medical service to the people. Considerable publicity by radio has been given to one point of view, namely that which proposes the establishment of state or socially controlled plans for the delivery of medical service by insurance or other prepayment schemes which are represented as advantageous from the standpoint of costs, general availability, and quality of medical services. A large majority of the medical profession holds that many such schemes are unworkable, detrimental to the best interests of the public as well as of the profession, and not proved as to economy claims made for them. This point of view has not found adequate expression in so-called forums which purported to present the subject from all viewpoints. The American Medical Association holds that forums should be such in fact, if they are so represented, and that presentations of a specific viewpoint to the exclusion of opposing or divergent views should be plainly so designated, and that the opposing or divergent views should be given equal opportunity to be heard, if not on that same occasion, then on a subsequent occasion as nearly as possible under equally favorable circumstances. In justice to the radio stations and the networks, it should be said that this has in fact been their spirit in most instances, when apparently biased programs have been called to their attention.

"(4) Free access should be provided to the filed copies of radio addresses which have been made, in the same manner as it is provided in the case of public records. In this way any responsible organization or individual may upon request be permitted to verify statements which are alleged to have been made in a radio broadcast. Such access to records should be permitted upon showing of any reasonable interest in the alleged statements,

as, for example, the possibility of injury to the business or reputation of the applicant, or suspicion of misstatement of alleged facts, or of representations not in the public interest. Such access should be maintained for as long a time as possible without too greatly taxing the filing facilities of broadcasting stations.

"Organized medicine has no objection to filing with the owners of transmission facilities or the Federal Communications Commission, or both, copies of all proposed remarks, and is likewise glad to accept for consideration the suggestions of experienced radio broadcasters. For the most part, suggestions from the radio broadcasters would undoubtedly be accepted by health speakers on behalf of organized medicine. It is not the suggestions nor the acceptance of them to which objection is made but the censorship which exists and by virtue of which the medical broadcasters of health talks are to all intents and purposes compelled, if not actually to say what is dictated to them, at least to refrain from any statement which might be objected to by the owners of radio transmission facilities."

X X X X X X X X

MARCONI STALLS AIRPLANES AND AUTOS WITH ELECTRIC WAVES

Italian military circles have revealed that Marchese Guglielmo Marconi has built a device to send electric waves that will stall the motors of airplanes and motorcars, according to a special dispatch to the Yomirui from Rome. The device is said to have been tested with convincing success at a fortress in a suburb of Rome on Tuesday in the presence of Premier Mussolini, according to an article in the Trans-Pacific, Tokio.

The test lasted 30 minutes, during which motorcars on a nearby highway suddenly stopped and could not be started again until the test ended. The drivers, unaware of the test, were at a loss to understand what had happened to their engines. When interviewed, Marconi would say nothing except that his invention belongs to the Italian army as a military secret. He intimated, however, that the time will come when details of the invention can be made public.

X X X X X X X X

8/9/35

TRAFFIC ARREST BRINGS TERRE HAUTE NEW POLICE RADIO

The arrest of John F. Cummins, a cousin of the manager of Radio Station WBOW for a traffic violation in Terre Haute, Ind., which recently achieved world-wide fame through a general strike, was followed by termination of police use of the station's facilities for contact with squad cars. The step taken by the radio station, however, will not render the city without a radio police service for a very long period.

Following the discontinuance of the radio service, the Terre Haute police announced that a short wave radio station already is under construction at the City Hall and will be in operation in the near future.

The new radio system is a gift to the city from a number of public spirited citizens. The project has been discussed for several years but the financial condition of the city would not permit the expenditure. The use of WBOW had not proven entirely satisfactory for several reasons, it was said, among them that it was not available twenty-four hours per day and also permitted anyone with an ordinary auto radio to pick up police broadcasts.

Included in the new RCA high frequency outfit besides the transmitter and receiver will be two "two-way" police patrol cars and six regular patrol cars equipped only with receiving sets.

The break between the police department and Station WBOW came after Cummins, 26 years old, or Indianapolis, was taken into the Terre Haute City Court Wednesday morning. Cummins was fined $2 and costs and the costs were later suspended, on his plea of guilty to charges of violating the city traffic ordinances. Cummins had been arrested Tuesday evening by Patrolmen Carpenter and Cavanaugh after he had parked his automobile in a safety zone downtown.

Later Wednesday the police department was notified by William W. Behrman, manager of the local radio station and reported to be a cousin of the traffic law offender that service for the police through the local station had been suspended.

Although Chief of Police Lewis A. Wheeler had not been formally notified of the "cut-off", desk officers said the police microphone had been removed.

X X X X X X X X X

8/9/35

LENGTH OF SESSION MAY DETERMINE COPYRIGHT BILL'S FATE

It was predicted that the Copyright Bill passed last Wednesday by the Senate and endorsed by the broadcasters might be lost in the shuffle in the House with adjournment probably so close at hand. Senator Wagner of N.Y. who along with Senator Copeland lined up with the Composers and fought the bill bitterly, declared there wasn't a chance for the House to pass it at this session.

Senator Wagner's prediction was re-echoed by Chairman Sirovich (D) New York of the House Patents Committee. Broadcasters encouraged by the Senate's approval of the bill declared otherwise and said there was still a good chance of the measure becoming a law at this session. They were successful through the excellent strategy of Senator Duffy (D) of Wisconsin in having the feature retained in the bill which would eliminate from the present law the $250 minimum penalty for infringement.

Senator Wagner on the last day of the Senate debate moved to strike out the provision of the bill which provides recovery for infringement in case of the merely incidental and not reasonably avoidable inclusion of a copyrighted work in a motion picture or broadcast depicting or relating to current events.

"In other words, if a reel or a broadcast depicting current events inadvertently uses a song of great popularity and of great value to the copyright owner, he has absolutely no recourse if the use is 'incidental'. The large profits that the picture or radio company may reap are disregarded. To my mind, this is an extraordinary provision and I ask that it be eliminated from the bill", said Senator Wagner.

"The provision applies only to current events. It applies to incidents such as the broadcasting of a Rose Bowl football game or some great sporting event of Nationwide interest. It might be that, while they were taking the picture a band would pass by the camera and a few bars of a copyrighted song or piece of music perhaps the alma mater song of the University of California, might be registered. The provision applies only to current news events. It applied to something that is entirely incidental and which cannot be reasonably avoided," Senator Duffy replied.

"Such a case might arise" he continued, "by reason of an incident where some moving pictures were being taken of some big event and a band would march down the street playing at that particular time some piece of copyrighted music, and as a result a few bars of the music would be reproduced. Such a thing has been held to be an infringement. The committee thought such a situation ought not to be permitted to exist."

Senator Wagner's motion was rejected. He then proposed this amendment which would restore minimum statutory damages when a copyright has been infringed:

To pay in lieu of actual damages and profits such damages as to the court shall appear to be just: Provided, That such damages shall in no case exceed $20,000 or be less than $200, and shall not be regarded as a penalty. This paragraph shall not deprive the copyright proprietor of any other remedy given him under this law, nor shall the limitation as to the amount of recovery apply to infringements accruing after the actual notice to the defendant, either by service of process in a suit or other written notice served upon him.

"Suppose that I have written a song" Senator Wagner said, "which has made a hit. The song is used by a broadcasting station. Those who are familiar with the subject know that in many or most instances, the broadcast may absolutely destroy the value of my property. But under the rules of evidence I am unlikely to be able to prove the extent of damage. Thus, with impunity, the infringer may make tremendous profits by misappropriating my work."

"We are talking a good deal about the little fellow. I desire to say that there is hardly any composer of music in this country today who is not a member of the American Society of Composers, Authors, and Publishers; and if someone should go to one of those individuals -- Irving Berlin or anyone else -- and ask him to grant the right to use his music in a place such as a little boarding house he could not do it," Senator Duffy argued. "This is not a 'little fellow' by any means, but is so big that the United States Government is prosecuting it under the Antitrust Act; so big that, according to the hearings before the House Committee, it is able to pay salaries of $50,000 to its general manager and $35,000 to its president; it is so big and powerful that it has a monopoly. We by law are giving monopoly to private individuals, who get together and pool their monopolies into a great, gigantic powerful organization; and although I realize that the members of the organization say, 'We do not intend to go after the little fellows', I say that every taxicab driver in the United States who has a radio in his cab is subject to suit if any sopyrighted music comes over it -- and almost all music that is at all popular is copyrighted. Even though the radio stations pay a fee for broadcasting it, the little fellow who is driving the taxicab is subject to have a $250 damage suit brought against him as a minimum, and the court could not do anything about it under the present law.

"The Senator from New York the other day referred to a case where there was a Nation-wide broadcast. In such a case, I do not think the $250 minimum-damage provision would have any effect whatsoever; but we raised that minimum so that if there were any cases of deliberate infringement, where the copyright owners did not feel it advisable to go into specific elements of damage, the court might award $20,000 damages. The bill before us makes it mandatory upon the court to award such amount of damages that the copyright will no longer be subject to violation by infringement; in other words that it will discourage infringement

"If Senator Wagner is interested in the individual, why not frame his amendment so that it would not give protection to a great society like the American Society of Composers, Authors, and Publishers, but limit it to individuals, and not allow it to apply to those who act in concert in such large organizations?"

"I will accept an amendment that will protect the individual. That is what I am interested in. I will accept any modification the Senator might suggest that will protect the individual artist and him alone," Senator Wagner replied.

"This is the Senator's amendment. At the time this subject was before the Senate at a previous session, I think it was former Senator Dill, of Washington, who made the suggestion that there never should have been a provision for minimum damages where two or more get together in concert, assigness of the original copyright owners, or where copyright owners acted in concert, because they have a gigantic concern, which is ruthless," said Mr. Duffy

"W e do not agree upon that. I cannot believe that these gentlemen are the racketeers that the Senator has asserted them to be", the New York Senator said.

Senator Wagner's amendment was lost. Just before the Senate finally passed the bill, Senator Copeland in behalf of the Composers said:

"When there is strenuous opposition to a bill, when there is profound conviction that the bill is dangerous, that it infringes upon the rights and privileges of a group, I can quite understand how helpless that group feels and how bitterly will be resented any action taken which seeks to curtail their rights.

"I have been a Member of this body for a long time, something more than a dozen years, and I know how utterly hopeless it is to attempt any radical modification of a measure which has been reported by a committee, which has been debated for a long time in the Senate, and to which amendments have been voted down, indicating the intent of the Senate to follow the committee. With all this knowledge on my part, I recognize how hopeless it is to undertake any such thing as defeat of the bill.

"As I said in the beginning, I have friends on both sides of this controversy; but frankly all my sympathies are with those who are in opposition to the bill. I think they feel that they have not had an opportunity to be heard; that they have not had an opportunity to have their arguments presented and digested. They feel that the proposed action is hasty and ill-advised. However, my colleague, Mr. Wagner, has at great length presented the cause as it appears to us, coming from New Y ork. He had

done it in a far more capable manner than I could possibly do it; he has accomplished a great deal in the way of certain amendments which have been accepted; and, so far as I am concerned, I shall satisfy myself by entering my protest and by saying that I think the measure ought not to be passed. I protested against bringing it up at this particular stage of the proceedings of the Senate; but I would be untrue to my conviction that we ought not to be wasting any time here if I proceeded to waste any time in what I know, from the start, is a hopeless undertaking."

X X X X X X X

RADIO EXPORTS INCREASE SLIGHTLY

The latest statistics on radio exports, for May 1935, of the U.S. Bureau of Foreign and Domestic Commerce, show a slight decrease compared with exports in May 1934, the last fiscal month reported. There were 41,302 receiving sets valued at $1,078,377, exported in May 1935, compared with 48,439 sets, valued at $1,160,205 during May 1934. Tube exports last May were 673,606 valued at $281,941, compared with 597,947 tubes, valued at $286,916 in May 1934. Exports of parts and accessories amounted to $349,964 in May 1935, against $350,658 in May 1934. An increase, however, in exports of loud speakers was reported from 7,468 speakers valued at $23,781 in May 1934 to 27,615 speakers valued at $55,279 last May. Other radio exports reported last May were $38,306 of other receiving set accessories and $88,684 of transmitting sets, tubes and parts.

The revised figures of total 1934 exports also have been issued by the U.S. Bureau of Foreign and Domestic Commerce. The 1934 exports broke all previous records and included 612,084 receiving sets, valued at $15,338,143; 6,682,083 tubes, valued at $3,209,946; parts and accessories valued at $4,358,827; 144,768 loud speakers, valued at $360,954; other miscellaneous accessories valued at $498,453, and transmitting sets, tubes and parts, valued at $1,090,269.

X X X X X X X X

NEW LONG WAVE FOREIGN BROADCASTING LIST

A new official list of foreign broadcasting stations on middle and long-wave bands (160 - 1700 kc - 176 - 2000 meters) has just been compiled by Lawrence D. Batson of the Commerce Department. A copy may be secured by sending 25 cents to the Electrical Division Bureau of Foreign and Domestic Commerce, Washington, D.C.

X X X X X X

MARVELS AT GERMAN TELEVISION TRUCK PICKUP

An innovation which caught the eye of Andrew W. Cruse, Electrical Equipment Division, Bureau of Foreign and Domestic Commerce, who has been studying the television situation abroad was the so-called television truck which he saw in Germany especially equipped to cover news events.

This truck, which was first used at the May Day ceremony at the Templehof Aerodrome at which Chancellor Hitler spoke, consists of a low powered ultra short wave transmitter for both sound and television using the intermediate film method. The program is relayed by the high powered Berlin transmitter and the transmission was declared most satisfactory by people who saw it. The interval of delay between the taking of the picture by the camera mounted on top of the truck and the time when that picture has been televised is approximately 90 seconds. The Broadcasting Company engineers feel that the high speed with which it is necessary to develop and fix the film does not give a satisfactory sound track and are consequently preparing to record the sound by the steel tape method developed recently by the Lorenz Company.

Television is moving ahead in Germany on what certainly appears to be a most thorough basis and the cost is being carried by the license fees plus an additional government appropriation.

In France, the Ministry of Posts and Telegraphs is extremely interested in having their country match the television developments in England and Germany and are doing everything in their power to speed up this work realizing that they are behind those two countries in this respect.

They have started experimental 60 line 25 frame transmissions on 175 meters but no regular schedule is maintained. The French hope to be able to go to 90 lines and then to 180 lines as quickly as practicable but there is doubt if much progress in this direction will be made before 1936.

X X X X X X

8/9/35

COMMISSIONER PAYNE GIVES DINNER FOR AMBASSADOR STRAUS

Honoring the United States Ambassador to France, Jesse Isidor Straus, the commissioner of the Federal Communications Commission, George Henry Payne, entertained Wednesday evening at dinner in the Chinese room of the Mayflower Hotel.

Other guests at the affair included the Ambassador of France, Andre de Laboulaye; the Minister of China, Mr. Sao-Ke Alfred Sze; the counselor of the French embassy, Jules Henry; the Secretary of the Treasury, Henry Morgenthau, Jr., the Secretary of War, George H. Dern; the Attorney General, Homer S. Cummings; the Secretary of Commerce, Daniel S. Roper; the Under-secretary of State, William Phillips; the Assistant Secretary of the Treasury, Stephen B. Gibbons; the Speaker of the House, Joseph W. Byrns; Senator Key Pittman, Senator Joseph T. Robinson, Senator Arthur Capper, Senator Burton K. Wheeler, Senator Henrik Shipstead, Senator Gerald P. Nye, Senator Hugo L. Black, Senator Alben W. Barkley, Senator Robert F. Wagner, Representative Sam Rayburn, Representative John J. O'Connor, Representative John J. Boylan; the director of the Pan-American Union, Dr. L. S. Rowe.

Also W. Forbes Morgan, Robert Jackson, Leon Henderson, George Rothwell Brown, Gen. William Mitchell, Theodore C. Wallen, Archibald R. Watson, Joseph E. Davies, Capt. S.C. Hooper, Mrs. Arthur J. Mellott, Hampton Gary, Gustavus A. Rogers, Harry Eaton, A. Miller, Eugene Meyer, John L. Lambert, Edward J. Flynn, Frank C. Walker, Charles William Taussig, Myron M. Cohen, Byron Price, George R. Holmes, Eugene O. Sykes, Mark Sullivan, Alfons B. Landa, Paul A. Walker, G. Franklin Wisner, Gerald C. Cross, Arthur Krock, Percy S. Strauss and Robert K. Straus.

X X X X X X

PANNILL RADIOMARINE PRESIDENT

At the regular meeting of the Board of Directors of the Radiomarine Corporation of America, August 7, Charles J. Pannill was elected President of that corporation.

Mr. Pannill joined the company in 1928, and is the holder of American Radio Operators License number one, the first operator's license issued by the American Government.

X X X X X X X

COLUMBIA ANALYZES DAY AND NIGHT LISTENING AREAS

A new Columbia publication, "Day and Night CBS Listening Areas" has just come off the press according to John J. Karol Director of Market Research. It contains individual listening area maps for each CBS station and for the first time reveals separately the daytime and evening coverage.

"You will note that these separate night and day maps make a station's coverage seem smaller than when night and day are lumped together," Mr. Karol observes. "We feel, however, that this new presentation is far more accurate and useful to broadcast advertisers than the inflated coverage revealed in a composite night and day map. In addition to current market data for each station this book contains the results of a special coast-to-coast study of 300,000 homes to determine the number of regular listeners to the local CBS station and to the CBS network in each station city."

X X X X X X

ENGLISH CABLE-RADIO MERGER PROPOSES TO REDUCE CAPITAL

A new investment trust entitled Cables Investment Trust Ltd., was registered by Cable and Wireless (Holding) Ltd., on July 15, for the purpose of obtaining funds to reduce its outstanding preferred stock, Assistant Trade Commissioner Henry E. Stebbins at London advises Washington. Cables Investment Trust will have a share capital of £4,000,000 divided equally between preference and common shares. The preference shares will be 4½ percent cumulative shares. In addition £3,000,000 of 3½ percent debentures will be issued. The parent company will subscribe to the entire amount of the common stock of the new company at a premimum, but the £10 preference shares and debentures will be floated on the market at £10 5s. and 99 percent respectively. The £7,000,000 thus raised will be used to purchase investments held by Cable and Wireless (Holding) Ltd., the latter then being able to retire an equal amount of its preferred shares. The contract provides that of the investments purchased, not less than 45 percent in value must be stocks, bonds and debentures, and not less than 70 percent must be investments within the British Empire. The value of the investments will be based on the prices ruling on July 22, 1935.

X X X X X X

APPLICATIONS GRANTED FROM BROADCAST DIVISION OF FCC

KNOW, KUT Brdcstg Co, Austin Tex, construction permit to move transmitter locally from Barton Springs Road to 114 W. 7 St. Austin, and to install new eqpt.; KIFO, Nichols & Warriner Inc., Portable-Mobile, license to cover construction permit for broadcast pickup station in temp. service on frqs 1622, 2060, 2150, 2790 kc 200 watts., A3 emission; WDGY, Dr. George W. Young, Minneapolis, Minn. modification of construction permit to extend completion date from 9/8/35 to 10/8/35; WPRP, Julio M. Conesa, Ponce, Puerto Rico, modification of construction permit to extend completion date from 8/18/35 to 10/18/35.

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF AUGUST 13, 1935.

No. 851

August 13, 1935.

GERMANY THROWS OUT ALL BROADCASTING RECORDS

As a result of a fight which Germany is making against what it alleges to be a world-wide phonograph record trust, the German Broadcasting Company of Berlin has thrown out all its records and now is using only live talent. This is the result of a lawsuit between the broadcasting company and a phonograph concern.

The Broadcasting Company declares that though its listeners enjoy hearing phonograph records and are glad to know where these may be purchased, (an identification of the record played is always given over the air), nevertheless the radio audience expressed its intention of standing behind the Broadcasting Company in their fight. Also the listeners, it is said, are delighted with the fact that artists and performers among the unemployed are receiving a generous amount of extra work and pay because of the broadcasting with live talent instead of electrical transcriptions.

One of the discoveries which the Broadcasting Company in Berlin claims to have made is that not a cent of the royalties paid for the use of records in broadcasting has actually gone to the musicians who produce the programs. A war against discs, as they are called on the other side, has been declared in Germany and if it is true, as charged, that an international combine to regulate the price of these records has been formed, it is predicted that this controversy may extend to other countries as well.

X X X X X X X X X

ANOTHER DEALER AGREES TO MODIFY ALL-WAVE ADVERTISING

Advertising implying that his radio receiving sets can procure world-wide continuous reception will be discontinued by Leiba Sharn, also known as Leo Sharon, an individual trading as Leotone Radio Company with a place of business in New York City.

According to the Federal Trade Commission, it is stipulated, Sharn sold "Leotone Short-Wave Sets", advertising them as capable of regularly receiving programs from Italy, Spain, Germany and England, when in fact the meter limitation of the sets was not sufficient to cover all broadcasts.

X X X X X X X X X X

BBC PUTS ON GREAT EXHIBIT AT RADIOLYMPIA

Our own broadcasting companies up to now have not made any particular effort to avail themselves of the interest of visitors to radio shows excepting to put in a broadcasting booth, but the British Broadcasting Corporation is again putting on a most elaborate exhibit at the Radiolympia to be held soon in London.

In 1933 the BBC was largely interested in a specially-built theatre with seating accommodation for over 2,000 people from which various performances were broadcast. In the following year this theatre was again used for BBC shows, and at this year's exhibition it has been built anew on a finer and more elaborate scale than ever before with increased seating accommodation.

The principal BBC exhibit at Radiolympia consists of two scale models of Droitwich National transmitter, which afford some opportunity of learning how a transmission takes place. Another exhibit includes an interesting array of microphones which date from 1923 to the present day. There is also a display of apparatus used for outside broadcasting in such places as the Queen's Hall and St. George's Hall. This apparatus is contained in two bays 5 ft. high. The whole of the equipment in one bay is associated with the microphones, while in the other are two A amplifiers, a Jackfield program meter, amplifier, and switching and meter facilities. Associated with the equipment is a mixer for selecting the right microphone point or points for fading from one position to another and for controlling.

An exhibit of general as distinct from technical appeal is that of a photographic mural 58 ft. long depicting the various activities of the BBC. The spectator first has an impression of Broadcasting House, then follow glimpses of studio performances, outside broadcasts, musicians, speakers, commentators, suggesting the manifold sources from which the microphone draws the material that feeds it, and finally the details of transmission showing the intricate machinery which is necessary to enable Home and Overseas listeners to hear their programs. There will also be maps showing the license figures, simultaneous broadcasting system, and a program analysis diagram.

X X X X X X X X X X

JETT TO TALK ON POLICE RADIO

Lieut. E. K. Jett, Assistant Chief Engineer of the Federal Communications Commission, in charge of police radio, will address the Municipal Training Institute of New York State for City and Village Police Chiefs at Utica August 28th. Lieut. Jett will take for his subject, "Police Radio."

X X X X X X X X X X

8/13/35

WGN BARS SPONSORED FOOTBALL PROGRAMS

In line with its policy of public service to the listener, WGN, Chicago Tribune radio station, announced last week all collegiate football broadcasts over that station will be carried on a sustaining basis and that no commercial sponsorship will be permitted, despite the fact that several Big Ten conference athletic departments have resolved to sell exclusive football broadcasting rights this Fall, according to the Editor & Publisher.

The National Broadcasting Company is supporting WGN in this policy. Niles Trammell, Vice-President in charge of the Chicago division of NBC, stated no sponsored football broadcasts will be carried locally by WMAQ and WENR, local stations operated by NBC.

Believing the new setup, with schools selling their rights directly to an advertiser, ignores public interest, WGN officials feel they would be losing control over broadcasts and would be forced to put on the air some games secondary to others available on a particular day.

A telegraphic survey by WGN last week disclosed that Illinois, Purdue, Indiana, Mennesota and Notre Dame will permit the Tribune station to broadcast without any commercial sponsorship strings attached. Michigan, however, has sold rights to a Detroit motor maker. Ohio has sold out to an oil company and its home games will be broadcast by WLW, Cincinnati. Although it is reported that Minnesota has sold its schedule to a sponsor for local broadcasting only, its home games will be made available to WGN at no charge. Northwestern and Chicago are the two local universities holding out for commercial sponsorship of broadcasts of their home games.

WBBM, CBS outlet, it is understood, has a chocolate concern as a sponsor for eight football games on the station but the advertiser has not yet set a schedule.

The following advertisers are sponsoring Big Ten football games:

Michigan - Chevrolet in place of Detroit motor maker
Ohio - Ohio Oil Company
Minnesota - Minneapolis General Mills
Iowa - Iowa Ford dealers
Wisconsin - Watham's Oil Company.

The chocolate concern referred to over WBBM is Sireen Mills, Chicago makers of chocolate products.

Inasmuch as WGN plans to broadcast college football games as a sustaining feature, with no commercial sponsor, the Tribune station began negotiations with several of the Big Ten schools that are permitting commercial broadcasts of their home games to allow WGN to also broadcast in those instances where commercial sponsorship is not an exclusive arrangement.

X X X X X X X X

DAYLIGHT INCREASE DENIED TO VERMONT STATION

Examiner M. H. Dalberg of the Federal Communications Commission has recommended that the application of Station WQDM, at St. Albans, Vt., for an increase of from 100 watts on 1370 kc. to 1000 watts on 1390 kc., during specified daylight hours be denied. The reason given for this is as follows:

It is obvious that the finances of both of the co-partners owners of Station WQDM, are in a meager and precarious state and that they are involved with obligations to a local bank which holds both a first and second chattel mortgage on the tangible assets of the station. The father of one of the applicants, C. A. Bostwick, appears to be in a relatively good financial position but the fact that he has endorsed notes for these applicants to the extent of $7,000 and states that he is willing to cooperate in obtaining further credit for them to the amount of $3,000 seems hardly sufficient to constitute the necessary financial background which would be required by the Commission for the increase in power requested.

X X X X X X X X X X

WEST INDIANS WANT AMERICAN DAYTIME PROGRAMS CONTINUED

Radio dealers in the British West Indies complain that they have been handicapped in the sale of American radios this year by the lack of daytime programs from the United States. All during last year one of the American radio stations sent out short wave programs daily from 10 A.M. to 3 P.M. in sufficient volume to be clearly received. This program has been discontinued, Consul Perry N. Jester, at Barbados advises. The British Broadcasting Company sends out a strong program in the morning up until 8 A.M., which is well received, but from that time on until 4 o'clock in the afternoon, no program comes through with sufficient strength to be picked up by 6 and 8 tube sets.

Night-time reception on both 6 and 8 tube sets is very good, Consul Perry said.

X X X X X X X X

SENATE GETS NEWSPAPER SHIP POSITION BILL

A duplicate of the Bill recently introduced in the House which would permit radio companies furnishing reports of positions of ships at sea to newspapers either at nominal charge or without charge provided the name of the company is used, has been introduced in the Senate by Mr. Copeland, of New York.

It has been the practice of ships to report their position to the nearest land station and up to a short time ago this information was supplied free to the newspapers. However the FCC issued an order discontinuing any such service.

X X X X X X X X X

RADIO GAINS OVER OTHER ADVERTISING MEDIUMS

Broadcast advertising during the first half of the current year showed a gain of 17.9% as compared to the corresponding period of 1934, the National Association of Broadcasters reports. Important gains were recorded by all phases of the medium, with regional networks making an especially strong showing. Radio as a whole fared better than any major medium during the period.

Non-network advertising increased on all sizes of stations. The largest gain in non-network volume occurred in the Southern States where volume rose 32.1% as compared with the first half of the previous year.

A gain of 26.7% in national non-network live talent volume, and a decline of 2.4% in national transcription business were the principal developments of importance in the rendition field.

Specialty and shopping goods advertising showed important increases during the period, with automotive, clothing and housefurnishing volume showing marked gains. In the convenience goods field, soap and kitchen supply advertising increased materially in the national and regional network and national non-network fields. Tobacco advertising showed most important gains in the regional network and national non-network fields.

General retail advertising experienced an increase of 50.3% as compared with the corresponding six months of the preceding year. Department store volume rose 41.7%. Automobile dealer advertising and that of clothing stores and similar shops and housefurnishing retailers showed the most important increases.

Radio broadcast advertising showed the greatest improvement in volume of any major medium during the period under consideration. As contrasted to a gain of 17.9% on the part of

radio, national magazine advertising increased 10.7%, national farm paper volume 3.5% and newspaper advertising 5.0%.

Details regarding major media are as follows:

Advertising Medium	Gross Time and Space Sales 1934	1935
Radio broadcasting	$38,221,480	$45,075,972
National magazines	61,409,805	67,954,820
National farm papers	2,870,927	2,973,225
Newspapers (estimated)	242,535,000	254,551,000
Total	$345,037,212	$370,555,017

Broadcast advertising volume in June amounted to $6,583,976, a decline of 12.7% as against the preceding month's level. This decline was considerably less than during the previous year, when June volume dropped 21.6% below that of May. National network advertising during June on the current year declined 13.1% as against the previous month, regional network advertising 1.5%, national non-network business 7.1% and local broadcast advertising 16.6%.

X X X X X X X X

U.S. TAKES INDIA'S RADIO TRADE AWAY FROM BRITISH

A review of India's import trade for the year, published by the Department of Overseas Trade, at 35 Old Queen St., London, S.W.1, shows that during the year the amount of radio imports rose from £84,000 to £119,250.

"Unfortunately, United Kingdom manufacturers are losing ground in this valuable market, and at the present time the U.S.A. appear to be securing a very substantial hold which it will be difficult for United Kingdom manufacturers to loosen", says the report.

During the year imports from the U.S.A. increased from £13,500 to £62,250, while those from the United Kingdom fell from £42,750 to £34,500. In the year 1932-33 imports from the U.S.A. were only £4,500. The only other serious competitor in this market is Holland, whose imports last year rose from £7,500 to £11,250.

X X X X X X X X X

INDUSTRY NOTES

Alfred J. McCosker, President of the Bamberger Broadcasting Service, owners of WOR, sailed Saturday, August 10th, on the "Ile de France" for a month's vacation in Europe. He was accompanied by Mrs. McCosker.

While in London, McCosker will visit Sir John Reith, Managing Director of the British Broadcasting Corporation, and in Paris he will visit several French broadcasting officials.

Denials of the application of William A. Schall, of Omaha, and the Omaha Broadcasting Company, also of that city, each applying for a 100-watt station on 1500 kc. frequency, were recommended by R. H. Hyde, FCC Examiner.

The New York News in a full-page advertisement in the Chicago Tribune, stated last week that "There were more copies of the News in use today in New York City...then there will be radio sets in use tonight." News' weekday circulation is over 1,500,000. It is one of the most direct attacks of a daily on radio circulation.

Gen. James G. Harbord, Chairman of the Board, Radio Corporation of America, will be heard over an NBC-WJZ network, Friday, August 16th, when he appears as guest speaker on the special Kellogg College Prom "Army Night" program to be broadcast from 7:30 to 8:00 P.M., EST.

The Mackay Radio Telegraph Company announces the fact that new offices will be established at Philadelphia, Pa., Camden, N. J., and Detroit, Mich. The service will be rendered by means of wire circuits between these cities and New York, leased from Postal Telegraph-Cable Co.

There will be radios in most of the homes in the Government's Matanuska Valley colony, the Associated Press reports. A survey of furnishings has just shown this.

The Minneapolis Journal has announced affiliation with KSTP, Minneapolis-St. Paul radio station, in a radio-news hook-up. The move places all three of Minneapolis' daily papers on a radio basis, the Star having arranged with WCCO a short while ago for a news outlet, and the Tribune, with the St. Paul Pioneer Press-Dispatch, having purchased WTCN more than a year ago.

X X X X X X X X

BRITISH MARCONI ALMOST DOUBLES PROFITS

Profits of the Marconi Wireless Telegraph Co. for 1934 were nearly double the figures for 1933, the respective totals being £225,733 and £126,553, Alfred Nutting, American Consulate General, London, reports. While the ordinary dividend is kept at 6 percent, contingencies has been credited with £78,000 and a staff bonus made of £11,000, against nil in each case. Results for the past three years (ended December 31) are compared as follows:

	1932	1933	1934
Revenue	£348,890	£382,136	£485,713
Brought in.	21,521	23,353	11,198
Salaries.	161,967	140,810	146,664
Rent, rates, etc. . .	73,493	84,611	87,465
Depreciation.	24,196	23,660	25,850
Interest to Assoc.. . companies.	14,499	6,502	---
Preference dividend .	17,500	17,500	17,500
Ordinary dividend . .	40,403	121,208	121,208
Ordinary dividend rates	2%	6%	6%
Bad debts	15,000	---	---
Contingencies	----	---	78,000
Forward	23,353	11,199	9,224*

*After £11,000 to staff bonus.

The balance sheet shows that the issue capital still stands at £2,270,133. Reserves continue at £1,469,152. Investments total £2,163,714. The earnings of Cable and Wireless for 1934 attributable to Marconi holdings in that company of £1,565,051 represent £5,17s. 7 d. percent. Regarding the £1,176,784 sundry debtors, £637,745 represents debts owing by foreign governments, a large part of which is on long credit terms. Part of these debts are overdue, but any loss that may be ultimately realized is regarded as being more than covered by the amount held as reserve for contingencies.

X X X X X X X X X X

OFFICIALS GIVE UP INTERLOCKING POSTS

The ten radio, telegraph and telephone officials affected by the recent order of the Federal Communications Commission that they not serve on more than one Board of Directors or as officials of more than one company, relinquished their interlocking positions on August 9th.

Those affected were Edwin F. Carter, A. T. & T. official; Sosthenes Behn, President of the International Telephone & Telegraph Company; Edwin F. Chinlund, Postal Telegraph official; Joseph J. Halpin of the International Telephone & Telegraph Co.; Newcomb Carlton and E. Y. Gallaher of Western Union Telegraph Co., David Sarnoff and Lewis MacConnach of R.C.A. Communications, Inc., and Frank L. Polk, a Director in several companies.

X X X X X X X X

HOUSE COPYRIGHT CONSIDERATION DEPENDS ON LENGTH OF SESSION

What consideration the House gives the Copyright Bill depends entirely how long the present session of Congress will last. If they adjourn the latter part of this week, or early the next, of course the bill hasn't a chance. On the other hand, if the Tax Bill is taken up by the Senate, the House will have plenty of time on its hands to consider the Copyright, or any other Bill, the leaders bring before it.

In the meantime, Senator McAdoo, Chairman of the Senate Patents Committee, in replying to a letter from Irving Berlin, of the American Society of Composers, vigorously defends the new bill.

Senator McAdoo writes to Mr. Berlin, in part as follows:

"You state that the bill removes the minimum-damage provision embodied in the existing law and that this change will work a hardship upon the 'little fellow.'

"The pending bill does indeed remove the stated minimum-damage fee of $250. The reason for this is that persistent complaints have been received by Members of Congress from all parts of the country to the effect that this provision of the present law is used to bring undue pressure upon 'little fellows' who are users of copyrighted works to require them to take out costly licenses if they wish to continue such use.

"But the bill does not leave the author or composer unprotected. It provides definitely that there shall be what is in effect a provision for minimum statutory damages. The court before which a case asking for such damages is brought must, under mandate of the bill, make an award sufficient to stop infringement. The amount is left to the discretion of the court

because it is not believed that it is possible to fix in a statute an amount that will be in all cases just. There is fully as great a possibility of obtaining a verdict, and hence of assuring to the poor author his costs, as there is under existing law. There is nothing to prevent the award of attorney fees; moreover, the terms of the bill practically assure substantial damages if substantial infringement is proved. But the bill does not offer returns disproportionate to the infringement,as does the present law.

"You will, I am sure, recall in this connection that illegitimate use of copyrighted works may be the act of all manner of people, from the street-organ grinder to the world-wide broadcaster. Obviously a damage fee of $250 would be absurd in the case of a single tune in a crossroads dance hall, just as the present maximum of $5,000 might be wholly insufficient in the case of a continental hook-up. Accordingly, the minimum amount is left to the court and the maximum amount is quadrupled, from $5,000 to $30,000.

"At the same time, the bill undertakes to encourage a concentration of payments and to discourage more than one payment for the same use of the copyrighted work. Thus, if a broadcaster pays for the right to broadcast, it is not deemed to be generally sound procedure to require the owner of a receiving set to be liable also. The bill makes an exception of this rule, however, in cases of the use of receiving sets or other such instruments by profit-seeking establishments whose customers are clearly charged for the music or other entertainment so received. Theaters which display sound pictures, the scores of which include copyrighted music, must pay the owner of the copyright, notwithstanding the fact that the motion-picture producer has paid for production rights. Dance halls, as well as restaurants that make cover or similar charges, must, if they use broadcast music, or any sort of 'canned' music, pay the copyright owner just as though they employed their own orchestras. The bill will not affect the present practice of taking out licenses for the purpose of using copyrighted music. This seems a fair compromise in the interest of all concerned."

X X X X X X X X X X

THREE STATES TAKE ACTION AGAINST ASCAP

The American Society of Composers have been attacked on several fronts during the past week in addition to the attention it has been receiving in connection with the Copyright Bill in Washington, D. C.

A bill licensing and taxing organizations such as the American Society of Composers, Authors and Publishers that impose fees for the commercial use of music on which they hold copyrights, was enacted into Wisconsin law last Friday in Madison.

In the absence of Governor LaFollette, Lieut. Gov. O'Malley signed the measure after its speedy passage by the Legislature. Lieut. Gov. Thomas J. O'Malley signed the measure to conclude a speedy ride through the Legislature. Governor Phillip F. LaFollette was out of the city.

The bill provides that any music broker, except the original composer, who wishes to make contracts for playing of copyrighted music must obtain a State license. He also must give complete information on officials of the company, their salaries, rates charged the player and fees paid the author, and must pay a tax of 5 per cent of the broker's gross receipts for the preceding year whether obtained inside or outside the State.

A $500 fine also is provided for any person who requests performance of a copyrighted piece to start an infringement suit.

In the State of Washington last Wednesday, Superior Judge D. F. Wright at Olympia enjoined the American Society of Composers from entering into additional agreements in that State, asserting that it had built up a monopoly on "hotcha syncopation" and fixed prices. All existing agreements were ordered placed in status quo until the Society, which has a membership of 900, shows it is complying with the law. The court found that the Society had pooled copyrights.

The Colorado broadcasters have formed an organization to combat the Composers, according to newspaper dispatches. In addition, the organization will unite in battling for favorable legislation and opposing such enactments viewed as injurious.

Attending the organization meeting were Rex Howell, KFZJ; Lou Koplinger, KVOR; Elmer Beehler, KGER, Sterling; A. E. Nelson, KOA; E. S. Sprague, of New York, representing NBC; F. W. Meyer, KLZ; W. D. Pyle, KVOD, Denver, and Gene O'Fallon, KFEL. In addition, a number of other Colorado broadcasters have shown interest in joining and will be invited to do so. Included are Senator Curtis Richie, of KGHF; Harr Green, KFKA; D. E. Bennett, KGIW, and Bishop White, of KPROF.

The meeting was an aftermath of the recent NAB convention. Organization is as yet unnamed. Plans include appointment of a paid secretary, probably an attorney.

X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL—Not for Publication

INDEX TO ISSUE OF AUGUST 16, 1935.

No. 852

"TELEFLASH" MAKES BID FOR N.Y. RADIO SPORT AUDIENCE

Stating that it is not radio, but rather voice description by news commentators brought instantly by telephone wires, "Teleflash", described as "sporting news by voice - as it occurs", is making a strong bid for the sporting audience in New York City now served by commercial broadcasting stations. According to preliminary announcement, "Teleflash" will soon be available in large cities and small towns everywhere in America as rapidly as equipment can be installed.

A network of leased wire service extending throughout the entire United States is said to be available exclusively to "Teleflash" alone. The new company, which gives its address as 551 Fifth Avenue, New York City, states that all equipment will be installed and maintained by the telephone company.

The announcement concludes as follows:

"The blow-by-blow account of prizefights; the second-by-second action of the horse races; the play-by-play account of the baseball and football games; the intimate descriptions of tennis and golf matches, hockey and polo games. These and other sporting events are now brought to you instantly and authoritatively by voice through 'Teleflash' loudspeakers. Enterprising merchants, hotels, restaurants, clubs, grills, smokeshops, barbershops - are installing this new service to win your patronage. 'Teleflash' is free to the public.

"This service is now available to merchants, hotels, restaurants, smokeshops, etc., for a few cents a day. It frequently pays for itself in a single sale. It is the greatest business stimulator conceived in years.

"Your customers can sit in comfort in your place of business and listen to dramatic descriptions telling how the horses are running at the quarter, the half, the three-quarter and in the stretch - at all tracks in the United States and Canada."

X X X X X X X X X X

RADIOTELEGRAPH SCHOOL MUST STOP UNFAIR ADVERTISING

Walter H. Candler, of Chicago, an individual trading as The Candler System Co. and engaged in selling the "Scientific Code Course" for instruction of radio operators, has entered into a stipulation with the Federal Trade Commission to stop unfair advertising practices.

Candler will cease using in advertisements any false, misleading, disparaging or derogatory representations concerning a competitor.

Candler also agrees to stop using in advertisements letters from officials of the United States Army and Navy, the U. S. Marine Corps, U. S. Coast Guard or any other branch of the United States Government or foreign government or of any corporation for the purpose of discrediting or embarrassing a competitor in his business.

A further representation to be discontinued by Candler is the assertion that he has trained more than 45,000 telegraph and radio operators.

X X X X X X X X X

RCA TO CONSTRUCT POWERFUL STATION

A construction permit for the highest-powered short-wave telegraph transmitter in the Western Hemisphere, and possibly in the world, has been granted to R.C.A. Communications. Designed for about 200 kilowatts output power, the apparatus is now under installation at Rocky Point, L. I., and will be ready for operation by November 16.

Engineers of the communication company said the station, under the call letters WEF, will be used from time to time for relaying radio programs to Europe for rebroadcasting purposes. The installation will be considered experimental until results determine if such power is economical. The present WEF equipment is capable of delivering about 40 kilowatts of power.

Better telegraph service to foreign countries at higher speeds of transmission, hence eventually lower rates, and much stronger signals in Europe of program material intended for rebroadcasting are improvements expected by the engineers when the new transmitter goes into operation.

X X X X X X X X

COAXIAL CABLE SEEN GREATLY EXTENDED IF TRYOUT O.K.

There is reason to believe that if the tryout of the coaxial cable by the American Telephone & Telegraph Company between New York and Philadelphia is successful that it will be an immediate forerunner to extending this type of cable to other parts of the United States. Such was indicated in the testimony of Dr. Frank B. Jewett, just made public, in the report and order of the Federal Communications Commission formally granting permission to the A. T. & T. to install a cable between New York and Philadelphia experimentally.

Dr. Jewett told the Commission that when the 100-mile circuit between those two cities is demonstrated to be practical, the A. T. & T. will know how to go about the demonstration of a 1000-mile circuit with a million frequency band. He further said that the development indicates for the first time the possibility of the transmission of the television image of good definition over long distances by cable circuit. In addition to this, it is capable of transmitting multiplex telegraphy; also 240 simultaneous telephone messages. The A. T. & T. research head said that the development of the coaxial cable goes back seven or eight years.

In making public its findings upon which the authorization of the construction of the New York-Philadelphia coaxial cable was based, a statement of the Communications Commission said:

"The Commission finds that the experiment which the petitioners wish to make is necessary for the advancement and improvement of communication and communication facilities, practice, and service; that the petitioners propose to carry on the experiment at their own expense and without cost to the public; that the installation of the coaxial cable under consideration is for experimental purposes only and without any intention or claim of right on the part of the petitioners to put said cable into public use or service without further authorization by the Federal Communications Commission; and that if the experiment contemplated is carried out, and the coaxial cable is demonstrated to be a success, the petitioners will, before attempting to use the same in public service, apply for permission to do so and later abide by such order as the Commission may make after a full and complete hearing held pursuant to notice, in which the petition in such case, and the objections and protests of all other parties appearing, shall be fully heard and considered upon the record made at that time, and without any regard to or for anything that the petitioners may do or cause to be done under and pursuant to the order permitting the installation of the coaxial cable for experimental purposes.

The Commission finds that experimentation, such as that proposed in the present proceeding, should be encouraged for the public welfare and in the public interest. The record indicates, and the Commission finds, that the introduction of the coaxial cable would have a tendency to reduce rates for services rendered by use of such cable.

The Commission finds that during the experimental stage of the coaxial cable under consideration parties interested in the transmission of television images should have access to and the use of the said cable for the use of experiments for themselves, provided the petitioners and such other parties may agree upon terms and conditions whereby such access and use may be accorded by the petitioners and had by the other parties; and in case the petitioners and other parties can not agree upon such terms and conditions, such other parties may apply to the Commission for rules and regulations whereby they may have access to and the use of said coaxial cable for their proper purposes and uses; and the Commission finds that under these circumstances the coaxial cable in its demonstration period cannot be used by the petitioners for the development of the right to television patents, to the exclusion of other parties having access to the coaxial cable through agreement with the petitioners or by order of the Commission; and under the circumstances proposed herein the Commission is of the opinion that the petitioners can not monopolize the experimental advantages, features and uses of the coaxial cable to the disadvantage, exclusion and detriment of other parties.

The Commission at this time is not going into the accounting and engineering features of the project under consideration, for the reason that it does not want to jeopardize the public interest by specifying, and thus limiting, requirements which the Commission has the authority and right to impose upon the petitioners when the proper time arrives, if at all, for the consideration of such matters; and the Commission hereby asserts its right to make any other and further order, whether supplemental to or derogatory of the order now being issued; and the Commission hereby serves notice that it reserves the right to revoke the order about to be issued, either in whole or in part, after hearing upon 10 days' notice to the petitioners.

X X X X X X X X X X

ON THE LETTER CARRIER'S DAY OFF

In Madrid, it is reported that a letter carrier during his off hours in the past two years, has turned out about 300 radio sets which he has sold to friends and acquaintances.

X X X X X X X X

RADIO IMPORTANT ITEM IN GERMAN P.O. BUSINESS

The business of the German Post Office for the fiscal year ended March 31, 1935, compared with the previous year, insofar as radio was concerned, according to Vice Consul Zawadzki at Berlin, was as follows:

	Fiscal Years Ended	
Radiograms Handled (number):	March 31, 1935	1934
Sent to European countries	526,100	560,700
Received from European countries	684,500	694,900
Sent Overseas	344,300	349,600
Received from overseas	315,700	322,800
Total	1,870,600	1,928,000
Merchant Marine:		
Ships equipped with radio	922	922
Ships with radio-bearing apparatus	553	513
Ships with radiotelephone transmitters	135	108
Radio Service of Coastal Stations:		
Radiograms sent to ships	21,036	16,287
Radiograms received from ships	79,284	59,026
Total	100,320	75,313
Radio conversations with ships	1,409	1,162
Radiograms rec'd from and sent to ships through radiotelephony	9,962	8,760
Total	11,371	9,912
Air Radio Service:		
Airports with radio	18	18
Stationary radio-bearing installations	15	15
Airplanes equipped with radio	334	263
Airplanes with radio-bearing apparatus	37	35
Radio Broadcasting subscribers	6,725,216	5,424,755
Receipts - Radio service	63,407,000	57,070,000

X X X X X X X X

SAYS WIRED RADIO SET TO GO

It seems that another challenge to commercial broadcasting, as well as to the movies, is Wired Radio, non-advertising entertainment to the domestic subscribers on a 5-15¢ daily rental basis.

Wired Radio, based on its Cleveland tryout, is now set to go, according to Variety, theatrical magazine, which devotes almost a page of its publication in the current issue to the innovation. No sets are to be sold; all rented by the month. Entertainment will be chiefly recorded, but live talent will also be used.

"Sponsored by a big utilities holding corporation - the North American Company, of which Wired Radio is a subsidiary -

Muzak is an arbitrarily coined word for a 'wired wireless' which has been in the process of experimentation since 1922", the magazine declares. "With recent experiments in the Lakewood section of Cleveland showing the highest quotient of favorable results, Muzak is all set to go.

"Figuring on a start of maybe 1,000,000 subscribers, at a $3 average monthly rental (as the mean between $1.50 and $4.50 per month), a monthly yield of $3,000,000 or $36,000,000 per annum is the economic equation of Muzak's intensive preparations.

"This newest perfection in a mechanicalized-electrified show business is headed by Waddill Catchings, President of Wired Radio, Inc., formerly head of Goldman-Sachs, member of the Board of Warner Bros. Pictures, Inc., Chrysler Corp. and other big interests. Associated as Vice-President and General Manager of Wired Radio, Inc., is Harris D. H. Connick, former film man and the original Kuhn-Lieb financial agent on the Paramount-Famous-Lasky Board.

"Originally one channel of entertainment looked possible. And the telephone line seemed best suited. Now with recent perfections and research, either the phone or the normal power lines (illumination) are just as good. And instead of one channel being the limit, three to five different types of 'wired' shows can be projected.

"Muzak is starting with three. Class A will be 100% rhythmic; i.e., dance and popular stuff, grinding constantly from 7 A.M. until 1 A.M. the following morning.

"Class B will be a compromise between 'A' and 'C' (symphonic, lectures), in that the familiar classics, lighter operetta stuff and vocal instrumental music, a shade better than the pop jazz on 'A' will be exclusively projected via the 'B" channel.

"The 'C' groove will be a hybrid for educational stuff, lectures, news bulletins (intended to be projected on the hour, every hour), an occasional heavy symphony orchestra and a marathon of church services Sunday morning. Muzak (or Wired Radio, Inc.) officials believe that there are many religious Americans in this country and if the kids want the pop stuff on the A-B channels, the old folks must also be seriously considered for their Sabbath choirs, pulpit talks and the like.

"There are two other channels possible, subject to additions, but only three types of shows will be initiated for the home receivers. The other two grooves will be pumped into a large model receiver intended for small cafes, ice cream parlors, poolrooms, restaurants, lesser auditoriums and dance pavilions, and the like. Thus, Supplementary Channels D and E would give out big brass bands (for pavilions, eateries, etc.) or ticker tape results of sports events, racetrack odds and winners, etc. But this phase, while intended to yield important

revenue, is being deferred until the home installations are under way.

"A host of artists have been extensively recording a catalog for Muzak for the past eight months in anticipation of its start, which should occur by Jan. 1 next, and possibly a bit sooner. Selvin has purposely selected his numbers for longevity or for distinction of quality.

"The following are some of the artists who have made records for Muzak, some with the proviso that their names can't be publicly used because of prior contractual reasons, such as in the case of Ray Noble, Hal Kemp, Andre Kostalenetz, Casa Loma, etc. Others are Gertrude Niesen, Isham Jones, Irene Beasley, Green Bros., Marimba Band, Enrie Madriguera, Lew White, Victor Arden, Louis Katzman, Johnny Green, Leon Belasco, Fats Waller, Louis Prima, Willard Robison, Sam Lanin, Emil Coleman, Dorsey Bros. Joe Venuti, Goldman Band, considerable Met. Opera stuff and the like.

"From present indications, each municipality will have to have its own broadcast central. Interstate Commerce Commission regulations, as it now appears, may militate against a gigantic hookup from one central source, say New York, which otherwise is quite feasible, save for the Governmental restrictions. The ICC angle figures because of the separate corporate utilities in each locale.

"Connick points out that while Muzak's cabinets are equipped with an added compartment for space radio (i.e. the ordinary receiving set), that idea is being dispensed with as Muzak doesn't want to step on anybody's toes, much less the space radio industry. Besides, that's not their business - they don't want to disturb the space radio manufacturer; Muzak is in a licensing field for wired entertainment.

"On the other hand, says Connick, the Philco Radio & Television Corp., among other radio manufacturers, is already taking recognition of Muzak's potentialities by permitting space in the new Philco models for a supplementary Muzak receiving set, so that radio users won't have two cabinets in their homes, but combine both. The Muzak apparatus can thus be installed in the customer's own radio cabinet.

X X X X X X X X

FCC REFUSES TO SUSPEND GLOBE WIRELESS TARIFF

A petition by four large companies for the suspension of the proposed tariff rates of Globe Wireless, Inc., was denied by the Federal Communications Commission. The Commission reserved for later consideraion the request for a hearing as to the "legality and propriety of the charges, classifications, regulations and practices."

R.C.A. Communications, Inc., The Western Union Telegraph Company, Mackay Radio Telegraph Company and Commercial Pacific Cable Company have protested that the "radiomail" rates of the Globe Wireless constitute "ferocious" competition.

Denial of the petition was accompanied by the following statement:

"In a special meeting of the Telegraph Division of the Federal Communications Commission, August 14, 1935:

"Upon consideration of the 'Complaint and Request for Suspension of Tariff' filed by R.C.A. Communications, Inc., The Western Union Telegraph Company, Mackay Radio Telegraph Company, and Commercial Pacific Cable Company in the matter of the proposed Tariff No. 3 filed by Globe Wireless, Inc., it appearing that the said Tariff No. 3 makes no change in the charges for 'radiomail' service but does change certain regulations with reference to the method of handling traffic, the Division declined to issue an order suspending said filing. The decision upon the request for a hearing as to the 'legality and propriety of the charges, classifications, regulations and practices' described in said Tariff No. 3 is reserved for later consideration.

"The denial of the request for suspension of the Tariff is not to be construed as an expression of any opinion as to the legality and propriety of any of the charges, classifications, regulations and practices described therein.

"The complainants will be notified of this action."

X X X X X X X X X X

U.S. MANUFACTURERS KEEP CUBAN RADIO TRADE CORNERED

So far as can be ascertained from the statistics, Assistant Trade Commissioner Kathleen Molesworth, at Havana, says the only non-American makes imported in June, the last fiscal month reported, were 7 Phillips units, which compare with 2 units in May and 17 in April. From January 1, 1935, through June 30, the total imports of Phillips radios was only 55 units.

Imports of radio apparatus through the port of Havana during June, 1935, totaled 1,535 units, which was not only a decrease from the 1,639 units imported in May, but also less than the 1,898 units imported in June of last year. However, radio importations have held up extremely well this year, the total for the first 5 months being 11,007 units as compared with 5,903 in the first 5 months of last year, so that the decrease in June is considered to be due to adequate stocks in the country rather than to any actual decline in business.

The total value of the 1,535 units imported in June was $32,466, and approximately 40 different makes were represented. Six outstanding American makes of radio apparatus accounted for 1,009 units, or approximately 65 percent of the total imports.

X X X X X X X X

ALMOST A YEAR SPENT PREPARING LISTENING AREA SURVEY

In response to the favorable comment occasioned by what is said to be one of the most comprehensive treatments of its kind ever attempted, John J. Karol, Director of Market Research, said that Columbia spent almost a year compiling its third Listening Area survey.

"The new market data are based on the special research conducted by Dr. Daniel Starch and staff during 1934", Mr. Karol declares. "This survey comprised 125,000 personal interviews in 321 communities throughout the U. S. and is, we believe, the largest study of its kind ever conducted in radio. It was on the basis of this study that we were able to determine the number of radio homes by counties as of January 1935, and this latest information is included with each Listening Area map."

Mr. Karol declined to say anything about the cost of Columbia's latest advertising presentation but in the opinion of one familiar with such publications, it must have been plenty, if, indeed, it did not set a new top figure in merchandising expenditure. Quite aside from what the actual survey must have cost, the printed document itself looks easily as if it might have run the bill up into five figures.

X X X X X X X X

MACKAY ADDS PHILADELPHIA AND DETROIT TO RADIOTELEGRAPH

Philadelphia, Detroit, and Camden were added last Monday to the network of principal American cities inter-connected by the radiotelegraph service of the Mackay Radio and Telegraph Company, operated in conjunction with Postal Telegraph.

"A pioneer since 1911 in the development of point-to-point radio service within this country, Mackay Radio has built a most comprehensive domestic network for the service of the American telegraphing public", a Mackay statement sets forth.

"It now serves an aggregate population of approximately 25,000,000 which includes the cities of New York, Washington, Philadelphia, Camden, Boston, Chicago, Detroit, New Orleans, Los Angeles, San Francisco, Oakland, Seattle, Tacoma, San Diego and Portland, Oregon.

"The service in the three new cities served by Mackay Radio is available to the public through any of its offices or those of the Postal Telegraph Company. This close coordination of its radiotelegraph operations maintains throughout the entire network."

X X X X X X X X

PHILCO USES HISTORIC ADVERTISING

There was an ingenious combination of history, radio, and first-class advertising showmanship in a page taken by Philco in the current issue of the Saturday Evening Post of August 10th. This page carried an old engraving of the "Battle of New Orleans" and was captioned, "A President Was Made Because News Arrived Three Weeks Late." Then followed this historic sketch:

"'Andrew Jackson has arrived', shouted the people of New Orleans. There was magic in the news. The British had come by sea, and were marching toward the city. Soon Jackson had an army of 3,500 behind a crude parapet. They waited all night. At dawn they descried the scarlet line of the British, perhaps 14,000 strong. The cannon roared. The infantry opened fire. Twenty-six hundred of the British fell, including their commander. The American loss was next to nothing. It was a glorious victory... and here General Jackson won the reputation that made him President of the United States.

"Peace had been signed three weeks before, but the news was unknown at New Orleans. Had there been radio, the battle would not have been fought."

To which Philco added this conclusion:

"So great a delay in the transmission of news is inconceivable today. Philco 116X, a product of modern science and invention, not only brings you an instant report of the signing of any important treaty or agreement between governments but keeps you in touch with every preliminary step."

The rest of the page was devoted to general advertising carrying an announcement of the new Philco 116X set in connection with which, by the way, was advertised Philco's all-wave aerial.

The historic advertising idea is carried out in other current magazines also, but with different subjects and historical facts depicted.

X X X X X X X X

APPLICATIONS GRANTED BY FCC BROADCAST DIVISION

KDKA, Westinghouse E & M Co., Pittsburgh, Pa., C.P. to make changes in eqpt.; KELD, T. H. Barton, El Dorado, Ark., Mod. of CP to make changes in eqpt.; KDON (formerly KFUH), Richard Field Lewis, Del Monte, Cal., Mod. of CP to move transmitter from Del Monte to Monterey and make changes in eqpt.; KGVO, Mosby's, Inc., Missoula, Mont., Mod. of CP to make changes in eqpt.; WGBI, Scranton Broadcasters, Inc., Scranton, Pa., Extension of Spec. Auth. to operate with 500 w. night, 500 w. day, for period Sept. 1, 1935 to March 1, 1936, or until pending application ow in hearing docket is granted; KPCB, Queen City Broadcasting Co., Seattle, Wash. Extension of Spec. Exp. Auth. to operate on 710 kc., 250 w. unltd. time, for the periodbeginning Aug. 1, 1935 to Feb. 1, 1936; also granted license covering CP authorizing installation of new eqpt; 650 kc., 250 watts, Ltd. time; WCAL, St. Olaf College, Northfield, Minn., Mod. of license to make changes in specified hours; KHSL, Trustees of Golden Empire Brdcstg. Co., Ltd., Chco, Cal., consent to Vol. Assign. of license of Station KHSL to the Golden Empire Broadcasting Co.

WBAL, WBAL Brdcstg. Co., Baltimore, Md., authority to determine operating power by direct measurement of antenna; KROC, Southern Minn. Brdcstg. Co., Rochester, Minn., Mod. of CP approving transmitter site at ½ mile north; also make changes in antenna; WBZA, Westinghouse E and M Co., Springfield, Mass., license to cover CP authorizing changes in eqpt; 990 kc., 1 KW; unltd. when synchronized with WBZ); WELL, Enquirer-News Co., Battle Creek, Mich. license to cover CP authorizing local move of station, installing new equipment and increasing power to 100 watts, 1420 kc., unltd. time; KVOL, d/b as Evangeline Brdcstg. Co., Lafayette, La., license to cover CP for new station to operate on 1310 kc., 100 watts, unltd. time; KFNF, Henry Field Co., Shenandoah, Ia., consents to assignment of lic. to KFNF, Inc.,; also renewal of license for the regular period, 890 kc., 500 w., night, 1 KW day; S-WILL and KUSD.; W8XAO, The Crosley Radio Corp., near Mason, Ohio, renewal of special Exp. license for period of 90 days from Aug. 21, 1935; New, General Electric Co., Portable-Mobile (Schenectady, N.Y.), CP for new broadcast pickup station in temporary service; freqs. 1606, 2020, 2102, and 2760 kc., 50 w.

X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF AUGUST 20, 1935

No. 853

August 20, 1935.

THE NIGHT WILL ROGERS GAVE THE BROADCASTERS A BAD SCARE

Here is how Will Rogers and the Broadcasters became acquainted. Paul B. Klugh, of Chicago, then President of the National Association of Broadcasters, for one, will never forget the incident.

It was years ago when broadcasting was young. One of the largest networks in the history of the industry, up to that time, had been arranged. The speeches and entertainment in connection with the banquet of the annual meeting of the National Association of Broadcasters in the Hotel Astor in New York were to be broadcast. Although commonplace now, the proposed network and the up to then unheard number of great stars to appear was the talk of the country.

Mr. Klugh, one of the best toastmasters in the business, and famous for the success he has made of radio banquets, was in full charge of arrangements, as usual. His bright particular star for the big night was Will Rogers, then playing in Ziegfeld "Follies" at the New Amsterdam Theatre.

Everything was all set for the history-making broadcast when at four o'clock on the afternoon of the banquet, Mr. Klugh was stunned to receive word that Will Rogers would not be able to go on. Never having met the man and not knowing a thing about him, but realizing that at all odds Rogers must be made to appear, because such a fall-down before such a vast radio audience was unthinkable, Mr. Klugh began to think of every inducement which might be offered to the supposedly temperamental artist to keep his engagement.

Although he was reluctant to believe that such a thing could be possible, the thought lurked in the back of Mr. Klugh's mind, "Could this may be holding out on us for more money?" Whereupon he called a hasty council of his associates who quickly pledged a tremendous sum. Having done all this, the delegation, headed by Mr. Klugh, made a hasty trip to the dressing-room of the theatre where Mr. Rogers was playing.

The comedian appeared even more dejected than the broadcasters as he explained that his contract, he had found out in the eleventh hour, with his new lecture manager would not permit him to talk over the radio. There was considerable argument back and forth but they didn't get anywhere.

Finally, Mr. Klugh, with some hesitancy because by then he had been considerably reassured as to the sincerity of Rogers, mentioned the large sum of money which had been raised. This seemed to cut the great comedian to the quick.

"No, he said sadly, "it is not a case of money but a case of breaking my word in that contract."

Upon hearing this, Mr. Klugh and those with him realized what an honest man they were dealing with and the mistake they had made in thinking otherwise. Will Rogers held their respect and esteem until his daying day.

Also by using his wit and ingenuity, Mr. Rogers saved the face of the Broadcasters on that memorable banquet broadcast. It was his own idea.

"I'll tell you what I'll do", he said to Mr. Klugh and the downcast group in his dressing-room. "I'll go to my manager and see if he'll let me go on the air to explain to the radio audience how I didn't read my contract, didn't know what was in it and wouldn't have promised to broadcast had I known this was out."

The manager who, if recollection serves correctly, was Charles Wagner, a very fair man, readily consented, with the result that Rogers went on the air, and in his own inimitable way told the radio audience what great trouble he was in, how he would not have disappointed them for anything in the world, and altogether made one of the funniest talks ever heard on the radio.

The big hit Will Rogers made at this time was unquestionably the first stepping-stone to his later unprecedented success as a broadcaster.

X X X X X X X X

NEW ELECTRIC RADIO-PHONOGRAPH WITH 20-RECORD CAPACITY

A new electric radio-phonograph has just been constructed by the Electromortrest in Russia which can be loaded with 20 records, which are then placed automatically on the revolving disk, and changed or repeated at will. A change of record or repetition is accomplished by pressure on one button; another switches the phonograph to radio, and it then receives programs from the air; while the third cuts in a microphone for broadcasting speeches, concerts, etc. This radio-phonograph is a great improvement over most of those of foreign make, which will carry only 6 records, and where these are changed mechanically. The Sofiet machine takes current from any room outlet.

X X X X X X X X X

MAXWELL HOUSE OBLIGED TO CHANGE RADIO CONTINUITY

That the Federal Trade Commission is carefully scrutinizing the radio continuity submitted to it by advertisers, as well as their printed copy, is shown by changes required in the Maxwell House Coffee broadcasts.

As a result of the Trade Commission's investigation, General Foods Corporation, General Foods Sales Co., Inc., and Maxwell House Products Co., Inc., of New York City, have entered into a stipulation with the Federal Trade Commission to desist from misleading representations in the sale of Maxwell House coffee, a bulleting from the Commission states, and continues:

"Advertising by radio broadcasts, these companies asserted that loose or bag coffee loses 45 per cent of its flavor 9 days after roasting, and that the loss in flavor of bean coffee is only slightly less rapid, so that the buying of unground coffee offers little, if any, advantage to the consumer as far as flavor goes.

"However, the stipulation points out that bean coffee when exposed to the air does not lose 45 per cent of its flavor in 9 days, but, on the contrary, the loss of flavor in coffee beans under such conditions is materially less than alleged. It is also explained that the loss in flavor of bean coffee as compared with ground coffee when exposed to the air is substantially slower and not merely slightly so.

"The respondents agree to stop advertising that bean coffee, when exposed to the air, loses 45 per cent of the flavor in 9 days, that the loss in flavor of bean coffee is only slightly less than ground coffee, and that tests of the comparative flavor of Maxwell House coffee and other coffees have been made by a great eastern university, when in fact the tests in question actually were made by scientists in this university."

X X X X X X X X

ROWCLIFF NEW NAVAL COMMUNICATIONS CHIEF

Capt. Gilbert J. Rowcliff, formerly in command of a battle force squadron at San Diego, who will become a Rear Admiral, has succeeded Capt. Stanford C. Hooper, who has held that post for about seven years, as head of Naval Communications. Captain Hooper will become Technical Aid to the Chief of Naval Operations. In his new position, Captain Hooper will be in charge of communications and other technical developments. Commander E. C. Raguet will continue to serve as Assistant Chief of Naval Communications.

X X X X X X X X

BOOM IN RADIO SETS SEEN NEXT SEASON

With the course for steel production fairly definitely set - automotive output for the Summer exceeding expectations and new models indicating an increased impetus for that industry in the Autumn, and construction having taken an upward trend - the financial community now is turning its eye toward the radio industry.

In radio, Wall Street sees the next factor contributing to a greater recovery, according to the New York Times. A survey by this newspaper of the outstanding radio manufacturers in the United States indicates that plans for the coming season provide for increases in production ranging from 60 to 100 per cent. In the case of the larger companies the output may even surpass the higher figure, it is indicated.

"The new models for the 1935-36 season are being introduced now to the wholesale and retail trade and the enthusiasm shown by the dealers is prompting manufacturers of sets to chart their most optimistic course since the boom year of 1929.

"The obsolescence of more than 25 per cent of the receiving sets in use today - a parallel to the situation in the motor industry at the opening of the 'model year' now drawing to a close - is given by manufacturers as the outstanding basis for the belief that a record year for sales of units is about to be established.

"Officials of the Radio Corporation of America have announced that their program for the new year contemplates an increase in production of approximately 100 per cent over the total for the year now closing.

"In addition to the expanding foreign markets, manufacturers of sets have found an ever-increasing field in the automobile market.

"Units sold in the United States in 1934 amounted to 4,084,000, the highest mark since 1929, when 4,438,000 units were marketed, against 3,806,000 in 1933. Estimates now in preparation indicate that sales for this year will reach, if not surpass, the 5,000,000 mark.

"Leaders in the industry, mindful of the drop in sales two years ago when prices were increased, are tending toward a lower price list for the new season. While the so-called 'midget sets' will continue in vogue, retailing anywhere from $8 up, the regular or standard sets will have a starting figure of $18 to $20."

X X X X X X X X X X

CALDWELL SEES 35% INCREASE IN RADIO SET SALES

Radio dealers throughout the country expect increased sales of radio receivers to run 35 percent and more ahead of last year, for the same Fall period, according to a nation-wide survey of radio merchandising channels just completed by "Radio Today", under the editorial direction of Dr. Orestes Caldwell.

At least 90 per cent of the radio dealers interviewed declared they expected a marked increase in radio business this Fall. Some estimates ran only ten per cent; other enthusiasts expected 300 per cent, or a tripling of 1934 sales. But the majority reported an expected increase of 35 to 40 per cent.

The unit price of radio sets is again increasing, as purchasers demand higher quality in both performance and cabinet design. Improved radio-set design, better broadcast features, vast advertising campaigns, better crops in local communities, and improved economic conditions were among the reasons cited by the radio men responding to the poll.

X X X X X X X X X

SMALLER INLAND AND N. E. PAPERS PROPOSE RADIO NEWS SALES

The Inland Daily Press Association, publishers of smaller newspapers in the Middle West, view radio as a direct competitor of newspapers both as a news and advertising medium, according to a survey just completed, and as such, it is the consensus of Inland publishers that radio should be "played down" both as to programs and press service dispatches dealing with speeches or features that have previously been broadcast.

The survey, according to Editor & Publisher, representative of 52 per cent of the Inland membership, brings out several interesting attitudes of non-metropolitan daily publishers on the subject of press-radio relations. It shows, for instance, that of the papers responding to the questionnaire, 54.74 per cent are not using radio programs as news as compared with 45.26 per cent who are printing such programs. While most Inland papers carry radio programs as paid advertising, the survey shows a decline, rather than an increase, in this type of advertising in the smaller daily papers.

Public resentment to "sandwiching" of news and advertising in radio broadcasts was reported by 87.59 per cent of those replying. Over half of those answering expressed approval of, or satisfaction with Press-Radio Bureau operations, although 72.26 per cent declared that "newscasting" as done at present is not beneficial to newspapers.

Only four Inland papers own radio stations, one has an interest in a station and another is about to purchase a station.

Of the 45.26 per cent who print radio programs as news, many were particular to point out they use only Associated Press or similar listings, and emphasized they permit publication only in skeletonized form.

Relative to further extension of news broadcasting, 25.80 per cent program-news users declared it would not retard newspaper circulations, while 74.20 per cent said it would. This expression came only from afternoon papers, it was pointed out. None of the 45 per cent who reported they use radio programs as news, print sponsors' names; 21 per cent of this group delete orchestras' names and 18 per cent omit celebrities' names.

Considering the 54.74 per cent who do not publish radio programs as news, the survey revealed that one Inlander not using such programs owns a local radio station. Of those not publishing radio programs as news, 17.33 per cent voted they regard newscasting as now done as beneficial to newspapers in creating and stimulating interest in newspapers. Among this same group, 22.66 per cent believe that further extension of news broadcasting will not tend to retard circulation progress of afternoon papers. No Inlander not using radio programs favored sale of advertiser-sponsored news for radio broadcast purposes.

None of the dailies, reporting radio station ownership, sells advertising cooperatively at a joint rate for use in the paper and over the radio. One publisher now purchasing a station, stated his paper would try such a plan, however.

While few Inland dailies have radio news bulletin tie-ups with local broadcasting stations, several indicated they believe broadcasting of news bulletins by radio is helpful to the paper if tied up directly with the name of the publication. They also feel that use of radio program news is beneficial to the paper when the station mentioned is newspaper-owned.

Included among the 3.45 per cent of total returns expressing disapproval of the Press-Radio Bureau, were several emphatic complaints. Included in this group were those who suspect that news broadcasts of any kind intrigue only those who read newspapers specializing in street sales and "numerous hectic" editions, resulting in this type of reader buying a paper on the street when "big news" breaks, rather than subscribing for a regular home-delivered paper.

It was, however, the consensus of 51.82 per cent replying to the questionnaire, that the Press-Radio Bureau has been quite satisfactory from a newspaper standpoint.

A survey similar to that circulated among the members of the Inland Daily Press Association has been done in the New

England field and the results reported by the New England Daily Newspaper Association.

The questions asked by the association were answered in the following proportion:

1. Do you regard further development and extension of news broadcasting as dangerous to all newspapers? Ans.: Yes, 21; No, 7.

2. Do you object to sale of regular news bulletin services to broadcasting stations by the various press associations? Ans.: Yes, 20; No, 8.

X X X X X X X X

NO REPORT AS YET TO FCC ON CUTTING OFF OHIO GOVERNOR

At this writing no report has been received by the Federal Communications Commission with regard to Station WAIU at Columbus cutting off Gov. Martin L. Davey for allegedly using offensive language. What, if any, action the Commission will take when the report comes in is not known.

According to an Associated Press dispatch last Monday, WAIU cut Gov. Martin L. Davey off the air for 2 minutes because he told a "dirty story", Robert French, production manager, said. The Governor was speaking before a convention of the Ohio Federation of Labor. French pointed out "the Federal Communications Commission holds us absolutely responsible for such things."

A few minutes before the Governor had told his audience that if Dr. George W. Rightmire, President of Ohio State University, could not get along on the budget alloted him by the State, "he should get the hell out of there."

X X X X X X X X X X

Andrew W. Cruse, Chief of the Electrical Division of the Bureau of Foreign and Domestic Commerce, in Washington, who made a study abroad of the television situation, is quoted as saying that to reach only one-third of this nation's population with television would require $200,000,000 for transmitter equipment alone, which would take four years to build.

X X X X X X X X

MINNEAPOLIS DAILY TIES UP WITH WCCO

Plans for joint activities between WCCO, Minneapolis and St. Paul, and the Minneapolis Star were announced when the radio station paid special tribute to the newspaper during a half-hour broadcast Monday evening, August 12. Entitled "A Salute to The Star", the musical program was interspersed with introductions of several members of the Star staff, including Davis Merwin, publisher; John Thompson, General Manager; Charles Johnson, Sports Editor; Dave Silverman, Managing Editor, and other department heads.

The new arrangement between the radio station and the newspaper, marks the enlargement of an association which was the first newspaper-radio alliance in the Twin Cities.

Under the new agreement, several news broadcast will be made each day with the cooperation of the Star, the United Press, and WCCO from the news offices of the newspaper. A new series of daily five-minute programs entitled "The Star Gazer" began Monday, August 12.

X X X X X X X X X

PACKARD AND TIBBETT MOVE OVER TO COLUMBIA

A well-known manufacturer and an equally distinguished artist will make their debut on the Columbia network when the Packard Motor Car Company inaugurates its new radio series featuring Lawruence Tibbett. The program will be broadcast on 80 coast-to-coast stations of the Columbia Network beginning September 24th and each Tuesday evening thereafter at 8:30 o'clock P.M. EST.

Tibbett was heard under the auspices of the same sponsor last season on an NBC hookup. This year, the program switches to the Columbia Network, using, however, the same time period on the same day of the week.

The program's sales approach, commercial announcement technique, and the method in which it will tie-in with other phases of Packard's fall promotion, will be announced later. Young & Rubicam is the agency in charge.

X X X X X X X X

INDUSTRY NOTES

The Georgia Broadcasters' Association has adopted a business policy against all programs submitted on a contingent, cost-per-inquiry or free commercial advertising basis. The Atlanta "Georgian" whose recorded series plugs the American weekly supplement has been classified as unacceptable.

"Radio Markets - Lithuania" revised up to July 1925 by Vice Consul MacGowan at Kaunas, a multigraphed publication of 14 pages, has just been issued by the Electrical Division of the Bureau of Foreign and Domestic Commerce. Copies may be had for 25 cents.

Newspapers have frequently accused radio stations of pilfering the news but just the opposite view is implied in the following paragraph from "Newsdom":

"WMAZ, Macon, Ga., installed Transradio Press service one week and hostile newspapers installed radio receivers the next. The radio men suspect the newsmen of listening-in on the news bulletins to get up to the minute news.

An adverse recommendation has been made by Examiner Bramhall of the Federal Communications Commission on the application of the Howitt-Wood Radio Co., Inc., of Binghamton, N. Y., operates of WNBF now broadcasting on a frequency of 1500 kc., with 100 watts power which requested experimental authorization for 500 watts night, 1000 watts daytime on 1240 kc.

Omaha "World-Herald" will enter the radio picture via a deal pending for acquisition of Station WAAW now owned by the Omaha Grain Exchange.

The application of the Hauser Radio Company, of Ventura, Calif., for a construction permit for a station on 1310 kc., 100 watts power, unlimited hours of operation, has been dismissed.

Station KGW, Portland, Ore., lost its appeal in the D. C. Court against a decision of the Federal Communications Commission granting KTAR an increase in power from 500 to 1000 watts. The Court held that no interference would be occasioned KGW by the power increase.

Both the Editor & Publisher and Newsdom, newspaper trade papers, seem to be taking more interest in radio. Editor & Publisher recently got out a radio issue; Newsdom has started a new column "Radio and the Press" by J. S. Canfield.

A portable radio transmitting set has been invented by the Peiyang Engineering College of Tientsin in China. Trial tests with the radio stations at Tangshan, northeastern Hopei, Chinkiang, provincial capital of Kiangsu, Canton, and other places have proved satisfactory. The special advantage of the new apparatus is that it weighs only 10 pounds, has a power of 2 watts and is easy to carry around.

X X X X X X X X X X X

APPEALS BOARD GETS RCA INCOME TAX CASE

An income-tax controversy involving $886,720, in which the Government contends that the Radio Corporation of America underpaid its 1929 income taxes by $199,006, while the corporation insists that it actually paid $687,723 too much, was laid before the United States Board of Tax Appeals in Washington yesterday.

The centre of the controversy is a write-down of RCA and its subsidiaries in the value of their inventories and amortization of patents and properties.

In the original Federal claim for $199,006 in additional taxes, RCA's 1929 income of $10,815,004, as reported by the company, was "adjusted" up by the government to $11,120,393 by disallowing deductions for patent and other amortizations. The Government also estimated that the consolidated income of RCA and its twenty-one subsidiaries principally Victor Talking Machine Company, was $18,202,884 in 1929.

The company paid an income tax of $1,662,086 for 1929 which the Bureau of Internal Revenue seeks to increase to $1,861,092.

In its counterclaim for the refunding of more than a third of its 1929 income taxes, RCA declares that together with its subsidiaries it had to charge off millions of dollars in the

estimated value of its inventories because of the changing styles in radio sets.

A $5,293,666 write-down in the value of its own inventories, which it shifted from $13,418,763 to $8,093,424, is claimed by RCA. Victor Talking Machine Company stated it lost $932,347 on the sale of radio sets and wrote down its inventories by $904,765.

The company claims that these adjustments were necessary because "changes of style, development in the art", and other improvements made radio sets on hand unsalable.

The Government asserts that the "goods in hand have not proven to be unsalable at normal prices" and that the "goods were actually sold or taken over by a newly organized subsidiary at prices equal to cost."

X X X X X X X X

TRANSRADIO SEEKS U.S. AID IN PRESS-RADIO LITIGATION

Further taking the initiative in its $1,170,000 restraint of trade suit against the three big press services and the chain broadcasters, the Transradio Press Service has completed two moves intended to interest the national government in pressing Transradio's charges of a conspiracy in arranging the Press-Radio Agreement.

Isaac W. Digges, attorney for Transradio, has petitioned the Federal Communications Commission in Washington, that Transradio be allowed to be heard in opposition to renewal of broadcasting licenses to stations owned by the National Broadcasting Company and the Columbia Broadcasting System.

It is also learned that Transradio is trying to interest the United States Attorney General's office in its case. Its petition, in substance, read as follows:

"The petitioner is possessed of information and intelligence which in the opinion of the petitioner clearly and conclusively demonstrate that to renew the broadcast licenses of the above named stations would contravene the public interest, convenience, and necessity, in that:

"(a) The above named stations have entered into restrictive covenants and contracts, the effect of which is to prevent them from broadcasting 'fresh' news, whereas such stations formerly were able to, and in many instances did, broadcast 'fresh' and vital news of deep interest to the public of the United States;

"(b) The above named stations have entered into restrictive covenants and contracts, the effect of which is to prevent them from broadcasting any news, save in very limited quantities and for very limited periods, whereas formerly such stations were able to, and in many instances did, broadcast fresh and vital news of deep interest to the public of the United States; and

"(c) The above named stations have presumed to exercise powers of censorship over the news broadcast to the public at large with resultant derogation of public interest and convenience and have conspired to and have restricted and destroyed the radio broadcast of news to the public at large; and (d) have been guilty of monopolistic practices and unlawful restraints, and have entered into combinations and contracts in restraint of trade in respect of interstate radio communications."

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF AUGUST 23, 1935

No. 854

ADJOURNING CONGRESS LEAVES MANY RADIO BILLS PENDING

No less than twenty-six bills affecting communications and radio in one way or another were introduced in the First Session of the 74th Congress. Those enacted into law were few and far between. The rest will automatically go over to the Second Session of the same Congress, which is scheduled to begin January 3rd of next year.

No action was taken whatever, not even a hearing, on the bill introduced by Representative Monaghan, of Montana, "For the purpose of providing wholesome radio programs, free from monopolistic domination and control on the part of vested interests, and to make available to all our people adequate radio service." To accomplish this purpose, Representative Monaghan desired to have created a Federal Radio Commission which would have nine members instead of five, as the old one had.

Representative Culkin, of New York, introduced a bill which would make it unlawful to broadcast any advertisement of intoxicating liquor or the solicitation of an order for intoxicating liquor. Senator Capper, of Kansas, reintroduced into the Senate a similar bill. Neither Representative Culkin or Senator Capper, however, pressed their bills for action.

Other bills were introduced by Senators Copeland and Vandenberg and Representatives Buckbee and Sauthoff, which one way or another would affect broadcast advertising.

Senator Walsh, of Massachusetts, introduced a bill to amend the Communications Act of 1934, as follows:

"Any radio address or radio program broadcast by or for or in the interest of any foreign government, or subdivision thereof, or person interested therein shall not be broadcast by any licensee until such radio address or radio program has been submitted to the Department of State and the approval of the Secretary of State has been secured in writing and is filed with such licensee. Any licensee permitting the broadcasting of any radio address or radio program by or for or in the interest of any foreign government, or subdivision thereof, or any person interested therein, without having on file, prior to such broadcast, the written approval of the Secretary of State, shall be penalized by the immediate revocation of such licenses."

An identical bill to that of Senator Walsh to have foreign radio programs approved by the State Department was introduced into the House by Representative McKeough, of Illinois.

Although it is generally believed that Congress will readily approve the State Department keeping an eye on foreign programs, it did not get to a hearing stage even in the First Session of the 74th Congress.

Senator Wheeler, of Montana, introduced a bill offering the following amendment to the Communications Act:

"In considering applications for licenses, and modifications and renewals thereof, when and insofar as there is demand for the same, the Commission shall make such distribution of licenses, frequencies, hours of operation, and of power among the several States and communities as to provide an equitable distribution of radio service to each of the same."

No action whatever was taken on this.

Neither did Congress bestir itself regarding the bills introduced by Senator Copeland, of New York, and Representative McCormack, of Massachusetts, which would allow ships at sea to report their positions by radio to newspapers either at a nominal charge or without a charge provided that the name of the radio company be used with the report.

During the session, Senator McAdoo, of California, introduced a resolution to create a new committee in the Senate on aviation and radio to consist of 15 Senators. No action was taken on this.

Representative Sirovich, of New York, introduced a bill "Providing for the establishment of an executive department to be known as the 'Department of Science, Art and Literature.'" Lengthy hearings were held on this bill, which would include certain phases of radio, but the bill itself went over to the next session.

X X X X X X X X X X

TO INVESTIGATE SHIP SAILING WITH ONLY ONE RADIO OPERATOR

The Federation Communications Commission this week decided to make an investigation into the circumstances and lawfulness of the voyage of the SS "Munargo" of the Munson Steamship Line, which departed on July 17, 1935, from the Port of Miami, Florida, and proceeded to the Port of Havana, Cuba, with only one radio operator aboard.

The hearing will be held at Washington, D. C., at such time as the Commission may designate.

X X X X X X X X X X

EXCHANGE HAMPERS SALES AMERICAN RADIO PARTS IN ARGENTINA

The current exchange situation in Argentina is reacting unfavorably on the sale of radio parts in that market, according to a report to the Commerce Department from Trade Commissioner D. G. Clark, Buenos Aires.

A number of radio sets are assembled in the country and sold under recognized trade names while other sets are assembled and sold under names known only in that area, the report states.

It is estimated that purchases by the larger Argentine independent assemblers of such parts as coils, transformers, chassis, condensers, dials and loud speakers have declined approximately 30 per cent as compared with last year. In addition to this slackening of trade, the exchange situation is prejudicing purchases from the United States, as importers are finding that most of this equipment must be paid for with exchange bought at the open market rate, and a surtax must be paid which amounts to the difference between the official exchange rate and 20 per cent above this figure. The natural consequence of this situation, that report states, is that assemblers are turning more and more to European sources of supply.

Parts and accessories for American branded lines which are assembled locally will undoubtedly continue to come from the United States regardless of conditions in the exchange market, it is pointed out. However, it is feared that the really important business which is offered by the independent assemblers will, unless there is an improvement in the exchange market, drift more and more in the direction of European suppliers.

X X X X X X X X X X X

LA GUARDIA PEEVED AT WNYC FALL-DOWN

Mayor LaGuardia, of New York City, was so angered at the failure of Christie Bohnsack, Program Director of the city-owned broadcasting station WNYC, and Isaac Brimberg, radio engineer at their failure to have the microphone in readiness at the breaking of ground for the construction of a new city market, that he has given them forty-eight hours to explain the fall-down. In addition to that, he suspended Brimberg from duty, an action which was not within his power.

As a result of the Mayor's irritation, however, F. J. H. Kracke, Commissioner of Plant and Structures, who is in charge of WNYC, ordered a hearing. It was after the hearing that it was learned for the first time that Mr. Bohnsack, a Civil Service employee, who, during the Walker administration, took an active part in arranging city receptions for distinguished guests, was involved. At the hearing it developed that Mr. Bohnsack was notified several days before to prepare for the market ceremonies.

X X X X X X X X

VERMONT FAVORED FOR NEW 1000 WATT TRANSMISSION

If the recommendation of Melvin H. Dalberg, Examiner, is followed by the Federal Communications Commission, to allow Station WNBX which, up to this time, has been confined to daytime broadcast to go on the air with 1,000 watts power at night as well, it will amount to virtually a new station for that State. WNBX, which is located in Springfield, Vermont, is at present transmitting on a frequency of 1260 kc. but is required to go off the air at sunset.

In his conclusion, Examiner Dalberg said:

"The granting of this application would permit WNBX to expand its program service to a very considerable extent and to supply a considerable area and a substantial number of listeners. The proposed improvement in the nature and extent of broadcast material, a large percentage of which would apparently consist of live talent, appears to be of both a satisfactory and meritorious nature and would result in a better grade of service within the station's present service area.

"It appears from the testimony of the Commission Engineer that the granting of this application would cause no serious interference to the other stations, namely between WHIO (Dayton, O., 665 miles away) and WTOC (Savannah, Ga., 910 miles distant); one of these stations, WHIO, whose primary interest is apparently to serve Dayton, Ohio, is considerably below the separation recommended by this Commission. The granting of this application would cause a very slight deviation with respect to quota and would be in accordance with the public interest, convenience or necessity."

It was testified to that the present cost of operating WNBX is approximately $1,000 a month and that its present revenues range between $1,000 and $1,500 per month. It was further stated by the applicant that the increased cost which would arise by reason of the granting of this application would be approximately fifteen per cent more than the present overhead but that this increased expenditure for operation would be more than offset by the revenue which would be derived, should the application be granted. The broadcast service supplied by the applicant provided for the area in the neighborhood of Springfield, Vermont, includes a listening public of approximately two hundred and fifty thousand people.

The only Vermont stations which broadcast at night are WCAX at Burlington with 100 watts power which operates from 6 to 9 P.M. on Mondays, Wednesdays and Fridays, and WSYB in Rutland which operates from 6 to 9 P.M. with 100 watts power on Sunday evenings only.

X X X X X X X X X X

HOW BBC HELPED ADVERTISE AMERICAN STORE IN LONDON

An interesting radio angle was revealed by Harry Gordon Selfridge in telling the whys and wherefores of the great Selfridge Department Store in London, now known all over the world. Mr. Selfridge, who formerly was one of the owners of Marshall Field in Chicago, and is an American, is writing a series of articles currently appearing in the Saturday Evening Post. Here is what Mr. Selfridge wrote in connection with a wonderful publicity break he received having to do with radio:

"Of course, if you can get other people to spend the money for you, it is all to the good. This is what happened when the British Broadcasting Corporation were casting around about 1925 for a suitable place to erect new radio masts from which to distribute their programs to the listeners of London and the provinces. They finally decided that the roof of Selfridge's was just about the best spot they could find for their purpose. I don't think Sir John Reith, that dour, silent Scot who has been responsible more than any other man for the position British broadcasting occupies in the world today, stopped for a moment to consider the appropriateness of putting up his masts on an American building. As a matter of fact, I have a suspicion that he and his corporation had rather a soft side to our organization, and I will tell you why. Several months previously, the British papers had closed down their columns to the free publication of the corporation's daily programs, holding that they were entitled to be paid at ordinary advertising rates for the space used, running to considerably more than a column per day. The corporation had distinctly opposite views and for a week or two no programs were published. Radio without programs is not, of course, a radio service at all.

"This was an obvious Selfridge opportunity. We started to print the programs in a special column which we have used for many years now in various London papers to give a daily exposition of the policies, principles and opinions of the house of Selfridge on matters of public interest. In other words, we acted as a sort of strike-breaker. Our advertisements were read by tens of thousands of people who had probably never read them before. Both readers and newspaper proprietors appreciated the humor of the situation, and in a few days the papers withdrew their opposition and started again to publish the broadcasting programs. Nobody harbored any animosity against us for what we had done; it was simply another advertising point for the house.

"We were perfectly willing to give our roof to the corporation for the masts, and came under a promise not to make use for publicity purposes, on any consideration whatever, of the association of our establishment with the British broadcasting authorities. In due course the towering masts were installed. I was half afraid that they might prove an eyesore and in some way detract from the appearance of the building. On the contrary, the masts were so artistic that they had, if possible, the

opposite effect; certainly I never heard any complaints. Not one person in the organization ever mentioned the masts save in the most casual way of conversation. But this did not prevent thousands of people daily making their way up to the roof - it was no part of our bargain with the B.B.C. that the masts should not be on view to our customers - and gazing skyward at these silent miracles of the wireless age. The result was exactly as might have been anticipated from the outset - the British public was quick to seize on the fact that the principal radio programs of Britain were 'sent out from Selfridge's'! And once again the store got a lot of credit - and free publicity - for something none of us had really any active part in.

"It was sheer circumstance, too, in the shape of these wireless masts, that transformed the Selfridge building into a key position of the British state at the time of the general strike in 1926. During the fateful days which preceded that tragic effort on the part of organized labor to take over the control of a nation, we at the store watched the course of events with more than ordinary concern, for we realized, as did His Majesty's government, that it was absolutely vital that the wireless service should be preserved and maintained intact. Without the dissemination of news and instructions by radio, the plight of Britain might have been inconceivably worse as a result of the general stoppage of newspapers and all means of transportation.

"At that serious moment in the history of England I deemed it my duty to call all the male members of our staff together and ask them if they would be willing to put themselves at the disposal of the Metropolitan Police Force. There was no need to explain why the Selfridge store occupied a strategic position in the clash. Our people volunteered to a man. The Metropolitan Police gratefully accepted our offer of assistance, and a large body, composed entirely of members of the Selfridge organization, was sworn in as special constables. Because so many of our men had seen service in the war, it was left to the house to form its own companies and to perfect its own arrangements.

"My son Gordon and Mr. H. J. Clarke, one of the directors, were appointed inspectors and placed in full command of the Selfridge station. They were assisted by two other executives, with army experience, who were given temporary commissions as assistant inspectors. Night and day throughout the strike period, our own specials guarded the roof with its wireless masts and broadcasting station. No serious attempt was made to interfere with these very alert watchers; it would have gone ill with any man or body of men trying to get a footing on Selfridge's roof during these days and nights - perhaps the tensest in British politics for a hundred years.

"The remainder of the volunteers from the store were formed into flying squads with headquarters throughout the building. They were ready at a moment's notice to be rushed off to any danger spot in London on receipt of a telephone message from Scotland Yard. I remember that our fellows had their full share of adventures in protecting amateur bus and tram drivers, escorting food supplies, and making possible the distribution of the government newspaper histily organized and edited by that very brilliant person, Mr. Winston Spencer Churchill. Hard knocks were given and received, but there were no major casualties. The store carried on its functions as usual; but at night, one or two of the departments assumed the appearance of a military barracks, for many of the special constables refused to leave the premises.

"On the happy conclusion of the general strike I had the pleasure of receiving the thanks of the British Government for the assistance rendered by the store, and every member of the staff who had done his bit also received a letter of appreciation."

X X X X X X X X X X

FIRE AT GERMANY'S RADIO SHOW

Germany's largest exhibition hall, located on the city's exhibition grounds, was burned to the ground this week as the result of a short circuit in a booth of the National Radio Show, which was opened by Propaganda Minister Joseph Goebels on Saturday.

Twenty-six persons were reported injured and the stands of leading German radio firms as well as the exhibition of the Reich postal and telegraph system and auxiliary sender on the second floor of the hall were destroyed.

Two other halls on the exhibition grounds were damaged. The radio tower, except for the destruction of the lofty restaurant, does not appear seriously damaged.

X X X X X X X X X X

ENGLISH CABLE AND WIRELESS TRAFFIC INDEX

The traffic index number for June of Cable and Wireless works out at 70.2 against 70.1 for both June 1934, and 1935. It is the highest June figure since 1930, when it was 86.0. The figure for May was 72.5, which showed the usual seasonal decline when compared with the previous month. (1929 equals 100).

X X X X X X X X X X

BROADCASTERS PROTEST EXCLUSION OF ALIEN MUSICIANS

A protest by the National Association of Broadcasters against the passage of two bills introduced in the House, aimed to protect the artistic and earning opportunities of American musicians has been lodged with Samuel Dickstein, Chairman of the committee which has the bills under consideration. These bills contain substantially the same provisions that:

"(a) An alien musician may not be imported into this country unless it is conclusively proved that there is not at that time within the United States an unemployed musician of that class and equal ability, and

"(b) It must be conclusively proved that the country of origin of such alien musician has made arrangement to engage an equal number of American musicians in employment of a similar nature."

The Broadcasters oppose the enactment of either of these bills on the grounds:

"1. The condition which requires conclusive proof of musical ability of both the alien and all American musicians of the same class is equivalent in practice to a positive inhibition against any musical performance in this country by an alien artist.

"2. Such legislation will effectively reduce the opportunities for the employment of American musical talent."

Writing to Representative Dickstein, James W. Baldwin, Managing Director of the NAB said, in part:

"A part of the first condition which must be observed is that of conclusively proving the 'ability' of the foreign musician. This evidently has reference to musical ability, although it is not specifically so provided. 'Ability' includes capacity, skill, power to perform, talent and proficiency, competency, aptitude, knowledge and artistic perception. It embraces both native and acquired capacity. How is it possible to meet this part of the condition? A well-known Polish conductor is engaged by an American musical organization. It is intended that he should conduct one performance of an American manned philharmonic orchestra in Boston. His appearnce is desired not because he is a foreigner or the world's greatest conductor but because of his prominence in the musical world and because of his special appeal to the American musical public. Before he may enter this country these bills require that the American musical organization must conclusively prove the ability of the foreign conductor and then conclusively prove the ability of all American conductors not employed. Having done that, the musical organization must then conclusively compare the ability of the one against the ability of the other. What standard shall be employed to make this comparison? We submit that not even

the roughest comparison of artistic ability of musicians of the same general class can be made. There simply is no yardstick by which one may prove musical ability beyond its meager fundamentals. The subject involves art, not mathematical science.

"The second condition is equally restrictive. It requires conclusive proof of the actual employment of American artists in the homeland of the alien in order to offset the employment of the alien here. If Toscanini is engaged to conduct one Philharmonic performance in the United States then some American conductor must be employed to conduct one Philharmonic performance in Italy. This condition is obviously impossible of compliance except in unusual circumstances too rare to even require mention here, and will in effect banish from the American musical world every performance except that which is wholly American.

"The enactment of either of these bills would not improve the employment condition of American musicians. The opportunity for greater employment here for American artists would not be added to by forbidding employment of foreign artists. To the contrary, some American instrumentalists contemplating labor with foreign impressarios here would discover that the engagement had necessarily been cancelled and nothing, American or foreign, added in its stead. It is a fallacious notion that for a planned performance by a given foreign artist there would be substituted a performance by an American artist. If, for example, Madam Flagstead is not permitted to exhibit her artistic talents in a concert scheduled here for a given time then no concert whatever will take place and American musicians will therefore lose rather than gain. In other words, it is our conviction that the enactment of either of these bills will defeat the purpose for which they are intended."

X X X X X X X X

FRENCH COLONIAL RADIO EQUIPMENT TO BE MODERNIZED

The modernization of radio equipment of the French colonial stations has necessitated new coastal stations in the following localities: Djibouti, French Somaliland, acquires a new 2 k.w. transmitter. Guadeloupe will have a new medium wave transmitter for interior service. Makatea, in French Oceania, will have a 500 watts transmitter for connections between Tahiti and Port-de-France (Noumea), capital of New Caledonia.

X X X X X X X X

JOHN ROYAL REPORTS ON EUROPEAN TOUR

"Radio is the healthiest thing in Europe today. Governments may disagree - and do. War may be just over the horizon. But," said John F. Royal, NBC Vice-President in Charge of Programs, who has just returned on the "Normandie" from a two months' tour of England and sixteen continental countries, "radio is an international factor for good-will."

Royal gave impressions of the foreign broadcasting situation in Germany, Italy, Russia, Austria and a dozen other countries.

How do American programs stack up against those in foreign lands?

"I say, modestly, we have nothing to be ashamed of in this country. Generally speaking, I didn't find them doing anything any better abroad than we are doing it here."

"Every place I went I found them clamoring for more American dance music. You don't know what the term 'popular music' means till you see how popular our dance tunes are abroad. In Russia they asked me for broadcasts that would feature week-old tunes. They can't get them quick enough or hot enough, it seems."

As for programs NBC will broadcast during the 1935-36 season from Europe:

"Probably" from the near-war zone in Ethiopia. At least, when pressed to the wall by reporters, Royal admitted NBC would try its best to bring direct broadcasts from the battlefield when, as and if there should be one.

"Radio has been in the front line every place else. We certainly ought to be in the front line trench in case of war - although that's a difficult thing to promise", he explained.

Another experiment probably will take the form of ancient history lessons, to be broadcast from the Colosseum, the Acropolis, the Appian Way and other Greek and Roman historic spots.

Royal said that Germany is planning a huge new building for short-wave broadcasting only. This will contain forty-four small and eight large studios; two new transmitters. Its purpose - to "Sell Germany to the world."

Among Royal's many official conferences was his private audience with the Pope in Vatican City. Of this he says, "The Pope is the best-posted ruler in the world on radio. His conversation shows a definite knowledge of the radio situation all

over the world. He keeps statistics in his desk, showing just what's happening according to latest developments. He spoke to me earnestly of the responsibility of those who run broadcasting companies and voiced a warning to people who use the air, to be careful in their choice of words."

X X X X X X X X

WALLINGTON LEAVES NBC TO JOIN EDDIE CANTOR

Jimmy Wallington leaves the National Broadcasting Co. September 12 to join Eddie Cantor. Wallington resigns after five years with NBC and four years' brodcasting with Cantor. When circumstances forced Cantor to move his show to Columbia Broadcasting System networks, he was frank to admit he "felt lost" without the young announcer. For several months Wallington has been struggling over the problem - how to keep his places both at NBC and with Cantor. The present solution was finally agreed upon and NBC has bid Jimmy a regretful farewell, wished him all luck and - a speedy return to the "home" networks.

Only 28 years old, Wallington went to NBC headquarters after breaking in over WGY, Schenectady, as the "Byrd announcer", broadcasting news of the world to the 1929 Byrd expedition at the South Pole. He holds the 1933 award of the American Academy for good radio diction.

X X X X X X X X X X

A. T. & T. PLANS RADIOPHONE TO FRANCE

The American Telephone and Telegraph Company has recently asked the Federal Communications Commission to modify the license of its radio telephone station at Lawrenceville, N.J. so that it might have direct communication with Paris.

In a statement filed with the application, Theodore G. Miller, Vice-President of the company, said it was planned to establish the new circuit as soon as the French telephone administration could complete construction and installation of new equipment in France, which would require six months or more. The American company plans to use the circuit eight hours a day, the official added, routing messages for France by way of London at all other times.

X X X X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF AUGUST 27, 1935.

No. 855

August 27, 1935.

POLITICAL TALK BARS DOWN AND RESEARCH BODY PROPOSED

In the closing hours of Congress, Representative Byron N. Scott, (D), of California, introduced three amendments to the Radio Act which would ease things down considerably for political candidates, who are frequently required to pay an advanced rate in campaigns, and which would relieve stations of censorship responsibilities.

"This means that the American system of private ownership, control, profit, and responsibility would be continued, except that during periods reserved for public discussion there would be no revenue to the station and no responsibility by the station to the Commission or the public", Representative Scott said.

Also the California Representative introduced a resolution proposing the appointment by President Roosevelt of a Broadcasting Research Commission to investigate the radio industry and to lay down a radio policy and program for the future.

"It should be noted that the proposed Broadcasting Research Commission would be a temporary body, appointed by and responsible to the President, the Chairman, who would, presumably, give full-time attention to the work", Mr. Scott explained. "The object of proposing a Commission of this type is to make available for the investigation the services of persons who could and would not ordinarily accept appointment on a Federal Commission. It is believed that distinguished and disinterested citizens would be attracted by the opportunity of taking part in a non-partisan attempt to formulate a sound and permanent policy regarding broadcasting."

The Congressman from California said that he introduced the amendments and resolution at this time so that the members of the House could have an opportunity to look them over and be prepared to act when Congress convenes next January.

Scott, who is 32 years old, hails from Long Beach, and is serving his first term in Congress. He was graduated from the University of Kansas, taught school at Tucson, Arizona, later moved to Long Beach, where he taught for eight years, and was later awarded an M.A. degree by the University of Southern California for his work in American History and Economics.

Scott asserted that as the Radio Act now stands the networks and certain stations have reaped a harvest from the major political parties in national elections and from leading factions in Stare and local contests. The provision has, he said, favored the party or person with the largest war chest to the prejudice of minority groups and individuals of small means.

Also he said that Section 315 of the Act provides that stations shall afford equal treatment - that is, time, rates, and so forth - to legally qualified candidates for public office, and prohibit censorship on political speeches which is unsatisfactory.

"The provision is fundamentally unsound in assuming that the public desires only the uncensored discussions on social, economic, and political issues of legally qualified candidates for office", Representative Scott declared. "Campaign periods are relatively short; candidates are not always the leading or most capable advocates of the parties' or candidates' views; controversial discussion is not a seasonal product demanding attention only before elections; too frequently political campaigns are used to avoid or obscure rather than meet and illuminate issues.

"The censorship provision is of little value. Though it protects the candidate himself from censorship by networks and stations, and protects stations from actions for slander or libel when a candidate is on the air, it does not extend to speakers other than candidates, and stations have been found guilty of defamation for the remarks of such other speakers.

"It is law at present that network and station owners, managers, program directors, and even announcers and technicians in charge of the electrical controls, must, at the peril of the station, determine at the moment of utterance whether a remark is actionable, a feat that no responsible judge or lawyer would presume to perform except in the plainest cases. This has led necessarily to direct and indirect censorship, to the vicious practice of requiring the submission of manuscripts for approval of networks and stations on an editorial basis.

"At certain times networks and stations are delighted to obtain political broadcasts. They fill time and supply revenue. But at other times and in certain communities, especially with the growth of volume of profitable advertising, this is not the case. Political broadcasts are refused. It is believed that all stations as an incident of the right to operate as public callings under Federal franchises should be required to devote certain periods to political broadcasts without profit or censorship.

The second amendment which Mr. Scott introduced would require stations to keep complete and accurate records open to reasonable inspection of applications for time, rejected applications, and the reasons for such rejections, additions, and

changes requested in programs on public issues and on educational subjects and interference with programs on public issues and on educational subjects and interference with programs on public issues and on educational subjects.

His third amendment recommended additional language which will free licensees from responsibility to the Commission or in the courts for broadcasts on public questions, except where licensees are responsible for defamatory or improper remarks.

"Under present conditions there is a very real danger that the licensee will be sued for a defamatory utterance that goes out from its transmitter", Mr. Scott went on. "There is also a very real danger that the Communications Commission (like the old Radio Commission) will consider defamatory or improper utterances for which the licensee is not responsible in acting on applications for renewal of license and other privileges. Censorship has flourished under fear of these dangers, and in many, many cases the act of censorship has been performed by persons who have no qualification whatever to determine the very delicate question of what is and is not actionable or in bad taste.

"The suggested addition will put an end to the danger of punitive action against the networks and stations and will thus obviate the necessity for editorial treatment of public discussion. It will not, of course, free the speaker himself from responsibility in the courts and elsewhere for his remarks or his conduct on the air."

X X X X X X X X X X

EUROPEAN BROADCASTERS QUOTE COMMERCIAL RATES

Broadcasting is now reaching the international stage. Not only are broadcasts from abroad being featured on American networks but American-sponsored programs are going out over European transmitters for short-wave consumption here and abroad.

A chain of European stations - "Radiodiffusion Europeene" has also opened offices in Radio City, for the sale of time on the "Chaine Rouge" and the "Chaine Bleue", in France, Italy and Spain, according to Electronics. A 15-minute program, including concert music, on the 60-kw. Radio-Toulouse transmitter on Isle de France, is quoted at $265, while the 1-kw. Radio-Bordeaux and Radio-Agen stations each cost $55. The 60-kw. Poste Parisien costs $365 for 15 minutes. The 6-kw. Radio-Morocco in Northern Africa costs only $53 per quarter-hour.

Italy's Chaine Rouge, including the 50-kw. Milan, 50-kw. Turin, 20-kw. Genoa, and 10-kw. Trieste, Florence and Bolzano (total 150 kw.), is quoted at $1,390 per quarter hour. Radio-Rome (50 kw), Radio Naples (20 kw.) and Radio-Bari (20 kw.), make up the Italian Chaine Bleue, at $693 for 15 minutes. In each instance above, musical program material is furnished, together with two 30-second announcements.

X X X X X X X X X X

PAYNE ALLEGES BROADCASTERS ARE ACTIVE POLITICALLY

In telling the American Association of Agricultural College Editors at Cornell University gathering the difference between the broadcasting systems of foreign countries and ours, George Henry Payne, Federal Communications Commissioner, said:

"In this country the political activity of broadcasters is a regrettable fact. It would be unfair to place the entire responsibility for the situation on them, for in the early days of chaos possibly it seemed to them the only way of obtaining what they considered their rights. One nevertheless cannot help feeling that energy that has been put into politics, if devoted to the cultural aspects of the art, would have led to much better programs.

"In the year that the present Commission has been in existence, there has been a decided improvement, I sincerely believe; although someone has said that, even now, you cannot come out of an office in the Communications Commission without stepping on one or two broadcast lawyers.

"The present Commission is cognizant of this intolerable condition and from time to time has taken steps to put relations with this arm of the Government on a higher plane. It was a man famous in his day, John J. Ingalls, of Kansas, who made the pungent observation that 'Purity in politics is an iridescent dream." If that is so, it has always been so, but it also is true that the bright pages of the past are those where some dreamer has put his visions into action."

X X X X X X X X

CANADIAN IMPORTS OF RADIOS DECLINE

Canada's purchases of foreign radios and radio parts showed an appreciable decline in the first half of 1935 as compared with the similar period of last year, a report from Assistant Commercial Attache O. B. North, Ottawa, reveals.

Total imports of radio and wireless apparatus into the Dominion in the January-June period of this year were valued at $616,235, a decrease of 14 per cent from the corresponding period of 1934. Imports from the United States declined 13 per cent to $577,600, the report shows.

Sales of radios and radio apparatus in Canada during the first six months of 1935 amounted to 47,370 sets having a list value of $4,216,170. Comparable figures for last year are not available, it is pointed out.

Total sales of radio receiving sets in the second quarter of this year amounted to 22,349 units and showed a seasonal decline of 2,672 units from the preceding quarter. The decline of 7,395 in A.C. sets was to a considerable degree offset by the increases of 1,115 in battery sets and 3,608 in automobile sets, according to the Commerce Department report.

X X X X X X X

WOULD ALLOW OGLETHORPE UNIVERSITY TO SELL STATION

A favorable report has been submitted by Examiner John P. Bramhall in the matter of a voluntary assignment of license by Station WJTL, Oglethorpe University, at Atlanta, to J. W. Woodruff and S. A. Cisler, Jr.,d/b as the Atlanta Broadcasting Company. A tentative arrangement has been made to sell the station equipment to J. W. Woodruff and S. A. Cisler, Jr., doing business as the Atlanta Broadcasting Co., for the sum of $16,500, to be paid in cash, and represented in this case by John M. Littlepage, and Frank D. Foley.

At the time the University commenced the operation of the station (WJTL), it was the intention of the officers of the school to devote the station's time to education alone but after a short period it developed that the cost of operation of the station was a heavy drain on the treasury of the school and in order to continue the operation of the station, the school was compelled to enter into the commercial field to sustain the station. This brought the school in competition with some of the people upon whom the University depended for financial assistance and necessarily created some feeling against the school because it had entered the commercial radio field. This had the effect of reducing certain contributions which the school otherwise would have received. Following this situation came the depression and the loss of many other sources for obtaining funds for the sustenance of the University. The school became financially embarrassed and its officials deemed it to the best interests of the University to dispose of the station.

The Examiner recommended that the motion of David Parmer, who had applied for the facilities of WJTL, but had later asked to withdraw his application, be granted with prejudice as through the filing of his application, Oglethorpe University had incurred the expense of employment of counsel in preparation for a hearing.

X X X X X X X X

COMMISSIONER LAUDS CONFIDENTIAL REPORT MADE TO WHEELER

In his speech at Cornell University, Federal Communications Commissioner, George Henry Payne, revealed that a confidential report had been prepared for Senator Burton K. Wheeler, of Montana, by S. Howard Evans. And then added:

"It is one of the ablest documents that I have read on the present problems and perplexities of the entire broadcasting situation", Mr. Payne told the Ithaca gathering. "It has the unusual quality of meeting these problems with complete frankness and courage, and while some of the suggestions made, such as that for 'legislation compelling a complete reallocation of broadcasting facilities' and the one compelling 'all radio licensees owning radio patents to put them in a patents pool', will stir up a great deal of agitation and discussion, I cannot see but that the discussion, even on these two points, will be beneficial.

"Inasmuch as Senator Wheeler has given me permission to quote from this report which has hitherto been regarded as confidential, I am hoping that in due time he will see his way to having it printed and give it the broadest possible circulation, and that a discussion of the matters gone into most thoroughly therein will give the public some idea as to what the problems are and how necessary it is to concentrate on them if there is to be improvement.

"I should like to quote from Mr. Evans' report his very pointed suggestion as to the establishment of a bureau of standards with regard to the character of programs by those stations applying for licenses:

"'One possible way to extend protection', he says, 'might be through the establishment of a procedure with regard to the programs of stations, similar to that which the Commission now requires in connection with the technical operation of stations. The Commission has decreed standards of mechanical operation to which stations must conform. It has required stations to put in new equipment and to change existing equipment so that they may render better technical service. Had the Commission set forth these technical requirements for a single station, it would have been guilty of a kind of discrimination which could not have been sustained in the courts. However, when the Commission merely insisted on standards which could be applied to all stations equally, the courts consistently supported its action.

"'It seems reasonable to believe that the Commission could establish similar general standards for program service. Certainly there are standards which can be applied. If they are applied without discrimination, the probability is that the courts will sustain the Commission in insisting on them.'

"' * * *

"'The Commission might compel every station in applying for a license, to submit not only evidence of its financial and technical qualifications, but also a statement of the standards which it would require programs to meet. This would be demanding on the program side of broadcasting nothing more than the Commission has required for a long time with regard to technical matters. It would be compelling the chains and independent stations to apply to every hour of their operating schedules the same kind of program standards which the chains have applied advantageously to religion.

"' * * *

"'Somehow the Communications Commission has to adopt responsibility for the kind of programs broadcast over stations which the Commission has in granting their licenses certified to be operating in the public interest. If the Commission cannot exercise this control through the requirement of standards, some other method must be found.'"

- - - - - - - - - -

(Confidential Note: Mr. Evans about referred to is said to be connected or to have been connected with the Ventura (Cal.) Press, which for some time has been critical of the radio industry.)

R.D.H.

X X X X X X X X X X

RADIO DONKEY BASEBALL GAME NETS $1800 FOR HOSPITAL

A donkey baseball game sponsored by the representatives of the National Broadcasting Company and the Columbia Broadcasting System in Washington one night recently netted the Children's Hospital in the Capital, $1,800. Exactly 8,930 people paid to see Washington's first donkey baseball game. This was a bigger crowd than the Washington baseball team has been able to attract in some time, and was likewise the largest assemblage since the Canzoneri-Klick bout.

Admission prices of 25 and 50 cents swelled the "take" to more than $4,000, and thanks to a contribution by both Griffith and the donkey promoter, the Children's Hospital fund was benefited by $1,800. Griffith gave $300 out of his percentage for the use of the ball park, and the donkey owner lopped off $200 from his share, which still netted him in the neighborhood of $1,500.

X X X X X X X X X

FATHER HARNEY DECLARES RADIO LEADERS NOT QUALIFIED

Father John B. Harney, Superior General of the Paulist Fathers, owners of Station WLWL never loses an opportunity to take a shot at the broadcasting industry.

"In my judgment - a judgment that is shared by millions both within and without my Churst - abundant proof has been given by leaders in the radio industry, by officials with a nationwide power, that they are not qualified to act as arbiters or judges of what should be permitted to enter into American homes", Father Harney declared in a protest to the Federal Communications Commission.

"In common with an ever-increasing multitude of our fellow citizens we have long deplored the fact that radio broadcasting has been apparently looked upon in our country as an almost exclusively commercial enterprise - that in one way or another those who have sought to make its commercial possibilities subservient to the higher interests of the people - to their educational cultural, social, ethical, and religious advancement - have been jostled about, elbowed aside, ridiculed, pinched, and starved into a state of exhaustion not far removed from death, while those who have used the radio for the accumulation of private wealth have been so favored and pampered that they have become very arrogant. That arrogance has been shown time and again toward educational and other non-profit-making broadcasting stations."

X X X X X X X X X X

HSINKING RADIO STATION LARGEST IN FAR EAST

The 2,500,000 yen Hsinking radio station (about $625,000), completed in June, 1934, by the Manchuria Telegraph and Telephone Co., is unquestionably the largest in the Far East. It functions primarily as a transmitter and receiver of radio messages throughout Manchuria, between Japan and Manchuria, and between Japan and North China. It will eventually serve as a connecting link in the world's radio system. The Hsinking station really consists of 4 separate sections, viz., the Kuanchengtzu transmitting station, the Mengchiatun receiving station, the Hsinking radio-telegraph control station, and the Hsinking radiotelephone control station.

It is now a simple matter for the Hsinking radio station to communicate with Tokyo, Osaka, San Francisco, Berlin, and other distant cities. It is also possible for telephone subscribers in Hsinking to converse with anyone in Japan by direct radiotelephone services. It is the intention to eventually open direct telephone service with Britain, the United States, France South China, Malay archipelago, and British India. At the Kuanchengtzu transmitting station there are 9 towers with inverted aerials, designed for service with Europe and America; The station can transmit 200 words a minute.

X X X X X X X X

NEW CBS STATISTICS INDICATE 4TH QUARTER RECORD FOR RADIO

On the basis of contracts now on file for September broadcasting over the Columbia network, the CBS Market Research Department estimates a nine-months' total earnings figure for 1935, 23.5% greater than the total for the same period in 1934. A statement from the Trade News Division of Columbia follows:

"September billings are expected to run slightly over $1,000,000 - an increase for the month of 43% over September, 1934, and the highest September total for the network to date.

"A breakdown of expenditures by network advertisers for CBS time for September and the Fall season indicates substantial increases in the automotive, tobacco, drug, oil and gas, and radio set industries. Tobacco advertising on the Columbia Network in September will be eight times higher than it was last year; oil and gas expenditures will be more than four times higher than a year ago. Drug advertising will show a thirty percent increase, and the program of radio set manufacturers will involve appropriations 68% larger than last year.

"The highest monthly gain in the history of the network was scored last month when Columbia Broadcasting System July earnings figures soared 44% above the total for the same month in 1934. With a total of $910,470 in time sales, the month set a record for July for all time.

"Radio's previous top Summer month was recorded in July, 1931, with CBS earnings figures totalling $877,366.

X X X X X X X X

RCA DECLARES QUARTERLY ON "A" PREFERRED

The regular quarterly dividend on the "A" Preferred stock of the Radio Corporation of America for the third quarter of 1935 was declared last Friday by the Board of Directors, General James G. Harbord, Chairman of the Board, announced at the close of the Board's regular meeting.

The dividend is one and three-quarters per cent for the quarter, amounting to 87½ cents a share. It is payable October 1, 1935, to holders of record at the close of business on the fourth day of September, 1935. It applies to all outstanding shares of "A" Preferred stock, including shares of "A" Preferred represented by outstanding unexchanged certificates of original Preferred stock - ten of such unexchanged shares being equal to one share of "A" Preferred.

X X X X X X X X

BERTHA BRAINARD OF NBC NAMED AS ONE OF OUTSTANDING WOMEN

Among the 16 U. S. women who stand out in business, according to an article in the current issue of Fortune Magazine in a series on "Women in Business", Bertha Brainard, Commercial Program Manager of the National Broadcasting Company was named as being one of those who have invaded man's industrial territory and made good on a large scale. The writer - or writers - of the article point out that the women have succeeded in capturing only one of the many sectors of the industrial front - the business office.

X X X X X X X X X X

ASCAP MAY CLOSE WISCONSIN OFFICE BECAUSE OF NEW LAW

Divergent view are being expressed on the recently enacted music tax law which was railroaded through the Wisconsin Legislature and which is aimed specifically at the American Society of Composers, Authors and Publishers.

E. S. Hartman, Chicago counsel for the Society, told a Billboard representative that he regards the law as highly discriminatory. It only means confusion, he says, and probably will cause more or less trouble for the very people it is supposed to benefit. It is possible ASCAP may withdraw its offices from Wisconsin, in which event those wishing to do business with the Society would be compelled to deal with the Chicago office or an office in some State other than Wisconsin. It is the opinion of the Society that the law may conflict with Federal statutes and might be declared invalid if it came to a showdown.

Proponents of the law say they have found unfair methods used in the collection of copyrighted claims and that the law is designed to do away with such abuses.

"For some time past", says W. J. Damm, Manager of Station WTMJ, Milwaukee, "there has been an outcry in the State, particularly from the owners of small dance halls and other amusement places who have been threatened with suit by the American Society of Composers, Authors and Publishers. These people eventually found a champion in Assemblyman Frank Grass, of Sturgeon Bay, who for four months has been on the trail of what he terms 'the biggest racket in the State.' He says the collection of copyright fees from proprietors of amusement places whose orchestras entertain with copyrighted musical numbers is a business that runs into hundreds of thousands of dollars every year and that it is operated through prompters and informers who aid in placing the victim on the spot. He claims that a prompter, for example, will send to a hotel orchestra a 'request' that a certain number be played. When

the orchestra complies the proprietor is presented with a bill for the rendition of copyrighted music. Spotters are alleged to frequent places where there is musical entertainment and to report each performance on which a claim can be made."

Mr. Damm further stated: "No report has been made as yet by the Legislative Committee appointed to investigate the Society. The resolution introduced by Mr. Graass, under which the Committee was named, alleged among other things that the complaints from over the State 'are such as to indicate that the activities of said American Society of Composers, Authors and Publishers have reached the status of a well developed, organized and extensive racket which should be effectively suppressed.'"

X X X X X X X X

HEARST RADIO SALES DEPARTMENT FORMED

Effective October 1, radio sales efforts of Hearst Radio Stations (WINS, New York; WCAE, Pittsburgh; WBAL, Baltimore; WISN, Milwaukee; KYA, San Francisco; KEHE-KELW, Santa Monica) will be transferred to a new Hearst department under M. H. Peterson, national sales manager since February. Hearst Radio is under contract to Paul H. Raymer, sales representatives, until October 1.

To date the Hearst stations have been selling time individually. Mr. Peterson said this policy would be continued. It is thought in some quarters, however, that this is another step leading to a Hearst network. Homer Hogan will head a Chicago office. Manager for a San Francisco office has not been named. Mr. Peterson is assisted in New York by E. B. Foote, formerly of the World Broadcasting System, and Burton Lambert, formerly of Sales Manager and Crosley Radio Corporation.

X X X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF AUGUST 30, 1935

No. 856

BECAUSE THE GOVERNMENT DEPARTMENTS ARE TO BE CLOSED OVER LABOR DAY, THERE WILL BE NO ISSUE OF THE BUSINESS LETTER ON TUESDAY, SEPTEMBER 3RD.

"DOC" BRINKLEY VISITS CAPITAL BUT COMMISH SEEKS HIM NOT

Although Dr. John R. Brinkley, famous as the Kansas goat-gland specialist and for having had his broadcasting station closed down, visited the Capital last week aboard his private yacht, which he said cost $650,000. He apparently gave the Federal Communications Commission a wide berth. Although these officials have it in their power to restore Dr. Brinkley's goat-gland talks to the air, a thing he very much desires, because when he left the United States, the Mexican Government also closed down a station he bought in that country, the Commission say the "Doc" not.

Invitations to dine on the palatial yacht, which is 150 ft. long and carries a crew of 14 men, were extended to such notables as former Vice-President Charles Curtis, who went to Mexico as Brinkley's counsel to try to get him restored to the good graces of that Government. So far as known, no official who might have been helpful in restoring the goat-gland specialist to the air, was invited to break bread with Brinkley.

Dr. Brinkley said that he stopped at Washington simply to renew old acquaintances from Kansas and declared that it was not to continue his fight for the right to broadcast in the United States.

An interviewer, who was received by Brinkley aboard his yacht, said that the latter was adorned much after the style of "Diamond Jim" Brady. On each hand was a huge diamond ring, the largest holding a stone of 12.92 carats. A clasp on his tie was a cluster 2 or more inches long, ¾ of an inch wide. A stickpine, more than an inch-high arch, over several larger stones, was in his tie. Two diamond-studded lodge pins were in his coat lapel and a diamond-studded charm hung across his vest.

While Brinkley, who was narrowly defeated for Governor of Kansas after his name had been ruled off the ballot was mum with regard to radio, he had quite a little to say about politics even to his own candidacy.

"I'm not a candidate - I don't want to be President. And I'm not presidential timber", Dr. Brinkley said modestly.

Dr. Brinkley is against the Roosevelt administration, against Senator Huey P. Long, against Dr. Townsend's plan, against Father Coughlin.

"I believe Long will run for President", he said, "and if he does, he may make it possible for the Republicans to win."

The doctor's chief criticism of the Roosevelt administration: "They've spent too much."

Of Dr. Townsend's old-age pension plan: "It would defeat itself."

Of Senator Long's share-the-wealth plan: "I'm just like any other rich man."

Dr. Brinkley came to Washington after a lazy cruise in Northern waters that began the middle of June. He expects to be back to Galveston next month.

On the trip he landed a 690-pound tuna, shot a buck on the island of Anticosti, off Labrador, and was grounded in a fog for 12 hours off Yarmouth.

The understanding in Washington is that Brinkley's Mexican station is still closed down. However, up to a comparatively short time ago, his broadcasts were plainly heard in various parts of the United States from a Mexican station over which he was evidently buying time. It was Dr. Brinkley's "Doctor Book" talk but given by a spokesman for the well-known doctor.

After being closed down in Kansas, Brinkley used to broadcast across the border by remote control from Del Rio, Texas, but an amendment to the Radio Act was enacted to prevent this. One report was that Brinkley himself was again broadcasting over a Mexican station into the United States late at night. If he did this, however, he would either have to go to Mexico or protect himself by electrical transcription because his old remote control method of sending the stuff across the border by wire into Mexico for rebroadcasting is a thing of the past.

While in Washington, Dr. Brinkley was accompanied by Mrs. Brinkley, and their son John R., Jr., and if any financial hardship had been worked upon him as a result of the closing down of his broadcasts in the United States, it was not apparent to the casual observer.

X X X X X X X X X

AIRPLANES ROUTED AWAY FROM TEXAS STATIONS

An allotment of $14,700 to the Bureau of Air Commerce for an airways radio station at Houston, Texas, has been announced by Public Works Administrator Harold L. Ickes. The money, which comes from the old public works appropriation, will provide a new station in a new locality so that planes will not pass close to the proposed radio stations KPRC and KTRH.

X X X X X X X X X

EXPERTS DON'T TAKE MARCONI WARPLANE RAY SERIOUSLY

The announcement by a press association that Marconi, the great Italian who invented wireless, had perfected a secret ray which he believed would enable him to stop airplane motors high in the clouds, was greeted with smiles by Government short-wave experts in the National Capital.

"That story has been bobbing up in one form or another for the past twenty-five years and I am rather inclined to believe that its reoccurrence is due to Italy's approaching war rather than any serious pronouncement on the subject by Marconi", one official said, who asked that his name not be used. "We heard during the World War that the Germans had invented a device which would broadcast the rays to stop the automobile transports. Later, and repeatedly, the version was that such a ray had been discovered for stopping airplanes' motors in battle."

"Did you ever hear of a motor actually being stopped by such a ray?" the Government expert was asked.

"No", he replied laughingly.

X X X X X X X X

BRITAIN STILL EXPECTS TELEVISION EARLY IN YEAR

Despite decided impressions to the contrary in the United States, television is expected to be in full swing in Great Britain within a year, a report to the Commerce Department from Assistant Trade Commissioner H. E. Stebbins, London, states.

The Postmaster-General, it is pointed out, has just authorized the British Broadcasting Corporation to make arrangements with the Baird Television Company and the Marconi-E.M.T. Television Company for the provision of complete transmitting equipment for the operation of their respective systems.

It is anticipated that the work of manufacture and installztion will be completed in approximately six months. The first test transmissions will probably start in the early part of the coming year, to be followed by a regular public service as soon as practicable thereafter, the report states.

In connection with the Postmaster General's announcement, the managing director of Baird Television declared that it would not be long before every radio set in the country would be equipped with a television screen and that vision would be as usual as speech is today. He pointed out that with the ultra-short waves it will be possible to broadcast scenes in much greater detail than can be done with the medium waves. It will now be possible, he stated to broadcast outdoor events such as air pageants and persons listening in will be able to see all the details as well as hear the commentary.

X X X X X X X X

NEW 500 WATT STATION RECOMMENDED FOR SPRINGFIELD, MASS.

The application of the Connecticut Valley Broadcasting Co., of Springfield, Mass., to construct a new 500-watt station to operate on 1140 kc., limited time, has been favorably recommended by Melvin H. Dalberg, Examiner.

It appears from the testimony to be the plan of the applicants to provide a regional station in western Massachusetts, and it is stated that the station, which would be locally owned and operated, would devote itself to the interests of the area sought to be served with an available outlet for local programs. It is evident that no such service is available at the present time from WBZA and WMAS, as their time is largely devoted to national chain programs, being associated with large networks.

It is apparently the intention to provide a service to compensate for that which would ordinarily be expected from stations in Boston, Worcester and other New England cities, but which is not available on account of the high radio attenuation indigenous to this district, as evidenced by the necessity for the WBZ-WBZA synchronized arrangement, which eliminates service from Boston, Providence and other nearby centers and materially reduces service from New York. Applicants contend that with the exception of the local station no useful service exists from Boston or any other place to the east of Springfield. There is some service from the two stations in Hartford, one of which, however, WDRC, carries substantially the same programs as one of the local stations, namely, WMAS, which is on the Columbia chain. The applicants further state that WTIC carries the Red Network program and is available to the Springfield district, but is not received over WBZA, which is synchronized with WBZ, of 50 kilowatts power, in view of the larger number of non-selective receiving sets in use in the locality.

Applicants plan to use electrical transcriptions employing the service of the World Broadcasting System, which they contend is not used now in Springfield.

The granting of this application would involve an increase of the night time quote of the State of Massachusetts and Zone of 9.05 units and an increase in the day time quota of the State and Zone of 0.3 units.

From the testimony of the Commission engineer it does not appear that there will be any objectionable interference during daytime hours with Station WHAM, at Rochester. If any interference should be caused during the brief period of evening operation, it would be within the .5 millivolt contour of the proposed station and not within that of the contour of Station WHAM.

In his conclusions the Examiner said:

"In view of the evidence presented, it is improbable that the proposed station would cause any interference in the reception of other stations and certainly no objectionable interference in the recognized good service area of other stations.

"It is believed that the applicants are legally, technically, financially, and otherwise eligible to hold the construction permit which they seek and that there is need for local service in the Springfield, Mass., area for a proposed new broadcasting service."

An Examiner's report has recommended that the application of Station WHBL, of the Press Publishing Co., Sheboygan, Wis., now on 1410 kc., 500 watts, sharing time with WBOK, Rockford, Ill., requesting a change to 1300 kc. with the reduced power of 250 watts, unlimited time, be granted.

In the same case, the application of WMBC, Michigan Broadcasting Co., Detroit, Mich., now on 1420 kc., with 100 watts, requesting 500 watts on 1300 kc., was unfavorably reported.

An Examiner has reported favorably upon the application of Station WRJN, Racine Broadcasting Corp., Racine, Wis., on 1370 kc., for an increase of daytime power from 100 to 250 watts.

A favorable report has been filed in the case of Charles C. Theis, of Wichita, Kans., applying for a new 100 watt station on 1210 kc.

X X X X X X X X X

FTC MAKES CONCESSION TO COMMERCIAL BROADCASTERS

Much of the confusion and uncertainties attending the broadcast of commercial copy is seen eliminated in the latest developments at the Federal Trade Commission. Henceforth, the Federal Trade Commission will afford to members of the radio broadcasting industry the same notice, andopportunity to sign stipulations as heretofore has been extended to other forms of advertising media. Approval of this procedure, which was requested by James W. Baldwin, Managing Director of the National Association of Broadcasters, was given on Wednesday of this week.

According to an agreement between Judge Ewin L. Davis, Chairman of the Federal Trade Commission and Mr. Baldwin, hereafter when a radio commercial continuity or a published

advertisement has been examined by the preliminary reviewer and noted for further attention, it is referred for consideration from a legal point of view after which it is submitted to the Special Board of Investigation. If the Board decides there is prima facie evidence of false or misleading representations, a questionnaire, is sent to the advertiser.

Upon receipt of the information called for in the questionnaire together with samples of advertising copy and all follow-up literature, etc., the formula, for example, in cases of drugs and cosmetics is submitted to appropriate departments of the government for opinion. The Board then considers the matter in the light of scientific opinion. If the statements contained in the advertising copy appear to be justified, the matter is reported to the Commission for filing without action.

If the statements contained in the advertising copy are not justified in the light of such scientific opinion the Board forwards to the advertiser a list of the statements in question and a copy of the scientific opinion relative thereto, and the advertiser is afforded the opportunity to produce all the evidence he can to support his claims.

When this has been done, either through correspondence or by personal conferences, the advertising copy is again reviewed in the light of new evidence, if any, and those statements which have not yet been justified in the opinion of the Board are thereupon reported to the Commission accompanied by all evidence in the case with the recommendation that an application for a complaint be docketed, but that before further action is taken the matter be referred back to the Board to negotiate a stipulation with the advertiser in settlement of the matter.

If the Commission concurs in the recommendation of the Board a stipulation is prepared reciting the objectionable statement and providing inhibitions wherein the advertiser agrees to cease and desist publishing such claims in the future. If, however, the Commission is of the opinion that the statements contained in the advertising copy are justified, the case is reported for filing without action.

At the time the case is docketed as an application for complaint the advertising medium, if a publisher, is notified and extended an opportunity to sign and return a publisher's stipulation enclosed with the notice. In the stipulation, the publisher agrees to observe and abide by the terms of any stipulation signed by the advertiser in the case, or of any cease and desist order entered by the Commission against the advertiser in such case.

Each case will require a separate stipulation. In order that stations may be brought up to date stipulations will be sent to cover all cases now pending before the FTC for which the broadcaster has submitted copy. That is to say, for each piece of copy that has been submitted by a broadcaster, and which has reached the investigation stage, the broadcaster will receive a stipulation which he may sign and return to the FTC.

X X X X X X X X

SOUTHERN STATES MOST OVER NIGHT-TIME QUOTA

Quota facilities due and assigned to broadcast stations as of August 26, 1935, show that the States of the Third, or Southern, Zone, such as Alabama, Arkansas, Tennessee, Texas, and others, are now 28 percent over their allotted quota, which is more than any other zone in the country.

The Fifth, or Western, Zone, is 27 percent overquota, composed of such States as California, Montana, and New Mexico, is a close second.

The First, or Eastern, Zone, with New York and the New England States, is 4 percent under its broadcasting quota. The Second Zone, Kentucky, Michigan, Ohio, Pennsylvania and adjoining States, is 5 percent over its nighttime quota, and the Fourth Zone, Indiana, Iowa, Kansas, Wisconsin, and other States, is 10 percent over its nighttime quota.

Also, all zones are underquota - the daytime broadcasting facilities - except the Fourth Zone. The Third Zone leads by being 47 percent underquota; the First - 30 percent; the Second - 26 percent, and the Fifth - 11 percent. The Fourth Zone is neither over nor under its quota with regard to daylight broadcasting facilities.

X X X X X X X X X X

CZECHO LISTENERS INCREASE DESPITE TAX

In Czechoslovakia, where radio listeners pay the cost of program service, the number of listeners has increased 120,585 in a year, or more than 17.3 percent. The number of receiving sets used for educational purposes in schools is now over 3000 and is increasing rapidly. These are official figures representing the number of licenses issued to listeners by the government.

X X X X X X X X X X

PHILCO EXPANDS TO MEET INCREASING DEMAND

With more than 9,500 workers on a payroll which amounts to nearly one million dollars a month, Philadelphia Storage Battery Company, makers of Philco radios, are employing many additional workers to keep pace with the increasing demand for radio instruments.

"The hours and working conditions are better than the NRA code for the electrical industry", said G. E. Deming, Executive Vice-President of the Philadelphia Storage Battery Co. "Philco's hourly rate is 25.2 per cent above the average of the balance of the radio industry as shown by figures compiled by the United States Department of Labor.

"The advances of science and invention in the field of high fidelity radio reproduction during the past year have made possible a fuller enjoyment of the many excellent programs offered the radio listeners of America. Greater public appreciation of the wealth of available radio entertainment, music, news comment and education, has translated itself into an increased demand for quality instruments. The result has been record-breaking production for Philco during the first half of 1935, with indications pointing to even greater production during the next six months. Philco will continue to use the tried and tested glass tubes in the sets it manufactures. The increased demand for our sets reflects consumers' confidence in our product. In spite of claims made for the metal tubes, Philco does not believe in experimenting on the public.

"The remarkable ability of short-wave sets to bring in foreign stations with surprising regularity and clearness; the advantage of having all the broadcasting services in one radio; and the improved reception obtained with all-wave noise-eliminating aerials have contributed to the popularity of radio.

"Not only in home sets is the increased production during the Fall months anticipated, but also in automobile radios. The greater enjoyment of motoring in radio-equipped automobiles has become so apparent that it is expected public demand will soon establish radio as standard equipment for all leading makes of automobiles.

"When the Philadelphia Storage Battery Company began to manufacture storage batteries for electric vehicles in 1906, the entire force could have come to work in one trolley car. In 1928, when the first Philco radios were produced, Philco finished in twenty-seventh place in the industry. By 1930, with the addition of smaller sets at popular prices, Philco moved into first place, a position it has held up to the present."

In commenting upon Philco's labor policies, Mr. Deming said: "Philco accepted and bettered NRA working conditions; recognized the American Federation of Labor Unions on a closed shop basis; signed a working agreement providing an orderly way of handling industrial relations; increased rates to the highest in the industry; paid additional bonus at Christmas when earnings permitted; and believes that fair-minded labor and management can work together in harmony to produce quality in its products at a fair price at which the public can buy in volume and thus maintain its leadership in the industry which has as future products wired radio and television."

X X X X X X X X

OFFICIALS REGRET PASSING OF A. Y. TUEL

The news of the death of Austin Y. Tuel, Vice-President and General Manager of the Mackay Radio & Telegraph Company, was received with regret by Commissioner Irvin Stewart, Chairman of the Telegraph Division of the Federal Communications Commission, and other Government officials. Mr. Tuel died suddenly in New York from a heart attack. Although only 53 years old, he was a veteran in radio telegraphy, having been closely identified with wireless for almost a quarter of a century.

Mr. Tuel was born at Mount Carmel, Ill. In 1910 he was appointed Superintendent of the Federal Telegraph Company's first station at San Francisco and remained in that capacity until April 12, 1917, when he joined the United States Navy as a lieutenant. He became Communications Officer at San Francisco. On Dec. 1, 1919, he returned to Federal Telegraph and was appointed resident engineer at Washington, D. C.

Early in 1921 he was appointed General Manager for the same concern and was transferred to headquarters at San Francisco. In 1927 he became Vice President and General Manager of Mackay Radio and Telegraph Company when that concern was organized.

As an executive, Mr. Tuel presided over the operation of the Sayville (L.I.) sending station, which the Navy commandeered from the German Government at the beginning of the World War.

X X X X X X X X

NBC TO TELL OF DAYTIME ADVERTISING ADVANTAGES

Entitled "Sales Begin When Programs Begin", containing a complete presentation of the special advantages of daytime broadcast advertising, a new book will be issued by NBC in about ten days.

"NBC now has a complete 'time-table' which shows, for the first time, the availability of radio listeners from early morning to late at night", Edgar Kobak, Vice-President in Charge of Sales, said in announcing the new publication. "We have conducted an exhaustive study of the variations in the number of reachable radio families, half-hour by half-hour, from breakfast time to bedtime.

"This searching analysis of radio's day and night potential circulation was particularly designed to meet the demands for more factual information on the daytime hours, including data which permit comparison with the evening hours. That's the big story which will be told in our new book."

X X X X X X X X X X

WEST COAST TELEGRAPH STATIONS CITED

The Telegraph Division of the Federal Communications Commission has ordered an investigation into the circumstances and lawfulness of the operation of the general experimental station W7XK following a report of their inspector at Seattle, Wash. The Northern Radio Company is made respondent to this proceeding and a hearing will be held in Washington, D. C. at a date to be announced later.

The Telegraph Division also ordered an investigation and hearing of the report of its inspector at San Francisco, to the effect that the installation and operation for entertainment purposes of a broadcast receiver in the radio room of Station WGCN aboard the S.S. "Emma Alexander" of The Pacific Steamship Lines, Ltd., interfere with the duties required by law of the operator on watch, and the responsibility of the parties concerned.

X X X X X X X X X X

APPLICATIONS GRANTED BY FCC BROADCAST DIVISION

KVOR, S. H. Patterson, Colorado Springs, Colo., CP to move transmitter outside city limits of Colorado Springs and make changes in equipment; WMAQ, National Broadcasting Co., Inc., Chicago, Ill., Mod. of CP to extend completion date to Nov. 4, 1935; KGMB, Honolulu Brdcstg. Ltd., Honolulu, T. H., Mod. of CP to move station locally, make changes in equipment extxnd commencement date to 60 days after this date and completion date to 90 days hereafter; WDBO, Orlando Broadcasting Co., Inc., Orlando, Fla., extension of special temp. auth. to operate with 1 KW daytime power for period ending March 1, 1936; WTCN, Minn. Broadcasting Corp., Minneapolis, Minn., Mod. of license to make changes in specified hours so as to relieve station WCAL of the period 9:43 to 9:45 AM, CST, on Monday, Tues. Wed. Thurs. Fri. and Sat. of each week until such time as WCAL might again desire such period.

WPHR, WLBG, Inc., Petersburg, Va., consent to transfer of control of WLBG, Inc., licensee of WPHR, to John Stewart Bryan, Tennant Bryan and Douglas S. Freeman; KFAB, KFAB Broadcasting Co., Lincoln, Neb., renewal of license for a period of 30 days; KFRU, KFRU, Inc., Columbia, Mo. renewal of license for a period of 30 days; WPEN, Wm. Penn Broadcasting Co., Philadelphia, Pa. and WCFL, Federation of Labor, Chicago, Ill., renewal of license for the regular period; also WCFL extension of special Exp. Auth. to operate on 970 kc., 1500 watts unlimited time instead of limited time for period ending Feb. 1, 1936; KEHE (formerly KTM), Evening Herald Pub. Co., Los Angeles, Cal., KELW, Evening Herald Pub. Co., Burbank, Cal.; WIP, Penna. Broadcasting Co., Philadelphia, Pa., and WIBW, Topeka Broadcasting Asso. Inc., Topeka, Kans., renewal of licenses for a period of 30 days; WOEB, Agricultural Brdcstg. Co. Portable (Chicago, Ill.) license to cover CP (Temp. Brdcst. Pickup service), frequencies 1606, 2020, 2102, 2760 kc., 100 w.; W9XHD, Same - Portable-Mobile, Chicago, Ill, license to cover CP (Exp. Gen. Exp. service), frequencies 31100, 34600, 37600, 40600 kc., 25 watts; W9XHE, W9XHF, Same, except 2 watts power.

X X X X X X X X

An announcement of special interest to American composers will be made by M. H. Aylesworth, President of the National Broadcasting Company, during a special NBC Music Guild program over the WEAT network Tuesday night, September 3, at 9 P.M. EST.

X X X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF SEPTEMBER 6, 1935

No. 857

WILL PRESS BILL FOR GOVERNMENT-OWNED RADIO NEXT SESSION

Before leaving Washington, Representative Joseph P. Monaghan, Democrat, of Montana, said that he would actively insist upon the consideration of the Monaghan Bill which he introduced several months ago to create a Government broadcasting network to replace the present commercial system, when Congress convenes in January.

Representative Monaghan, who is from the same State as Senator Burton K. Wheeler, Czar of radio in the Senate, declared that the legislation which he hopes to have enacted will,"first, place the American people in control of the facilities which they alone own, namely, the air. It will deny to the Radio Trust the power of influencing and molding public opinion. It will protect the employment opportunities of many thousands now employed and will, in addition thereto, soon provide employment for the forty or fifty thousand printing-trades workers deprived of employment by the diversion of advertising from newspapers and magazines to radio. It will enable the independent newspapers of our country to derive that revenue which is essential to the continued maintenance of a free and independent press. It will permit of real education being carried into the homes of all of our people."

Representative Monaghan extended his remarks in the Congressional Record, in the prepartion of which he was said to have had the assistance of Mike Flynn, American Federation of Labor legislative agent, and attacked the present setup of the broadcasting system saying, in part:

"As an illustration of the financial racketeering in radio on the part of big business, the General Electric Co. holds 2 of the 40 clear-channel licenses issued in this country to operate three high-powered stations. The Westinghouse Electric Manufacturing Co. also possess 3 of these 40 clear-channel licenses to operate four high-powered stations. Thus we have 5 of the 40 clear-channel licenses used for the operation of 7 high-powered radio stations owned by two of the most powerful members of the power Trust, namely, the General Electric Co. and the Westinghouse Electric Manufacturing Co. None of these seven high-powered stations are operated directly by either the General Electric Co. or the Westinghouse Electric Manufacturing Co. These stations are leased to the National Broadcasting Co. and a very fat rental for this governmental property is paid yearly by the National Broadcasting Co. to the General Electric and Westinghouse Electric Manufacturing Cos. In one particular instance, the National Broadcasting Co. has leased and released the facilities of one of these high-powered stations at a profit over and above the amount which it paid to Westinghouse Electric Manufacturing Co.

"The National Broadcasting Co. and the Columbia Broadcasting Co., the two networks which dominate the radio broadcasting field, show through their statistical figures that the average advertiser during the year 1934 spent on their networks more than $150,000. This figure indicates that only those interests dominated by or affiliated with Wall Street could sponsor such an advertising campaign. This means that the local merchant, the man who has helped to build the community, is placed under a great handicap. Either he must accept the dictation of big business and handle only the products which big business wishes him to handle, and at the price which they insist he must handle them, or he finds himself in difficulty.

"Big business was not interested originally in radio as a source of profit alone. Testimony given by the President of the National Broadcasting Co. proves that radio broadcasting was originally conceived as a means of promoting the sale of those radio sets manufactured by the Radio Corporation of America, the General Electric Co. and the Westinghouse Electric Manufacturing Co., and secondly, to promote the use of the long-distance telephone lines held by the Bell Telephone Co. monopoly. The statement of Mr. Aylesworth is as follows:

"'Among the broadcast experimenters - and that is precisely what they were in September 1926 - the American Telephone & Telegraph Co. operated Station WEAF in New York City as an experimental station. Its prime interest was to learn how the radio telephone could be utilized in the furtherance of the Bell Telephone system's service to the Nation. Toll broadcasting resulted. Under the leadership of Mr. Owen D. Young, the organizations most concerned, namely, the Radio Corporation of America, General Electric Co. and the Westinghouse Electric, decided upon the formation of a Nation-wide broadcasting service to meet the immediate, as well as the future, requirements for programs of the highest standards. Thus came into being the National Broadcasting Co. organized in November 1926, primarily devoted to indirect sales promotion for the radio manufacturing industry. Its basic principle of operation was obvious - service to the radio manufacturing industry.'"

"The Chairman of the Board of Directors of the National Broadcasting Co. truly reflected his sincere and innermost feelings in connection with these stations when he stated:

"'But the profit motive of industry - apparently there's the rub. As an industrial executive I admit a natural prejudice in favor of profitable enterprises and a disposition to defend the profit motive as against social or intellectual snobbery.'

"The profit motive stands first and foremost. Apparently the thought of public interest, the opportunity for unselfish service to one's fellow man by helping him to develop and enrich his mind and heart finds no place in that scheme of life."

"The greatest problem before the people of America today is the question of employment at decent wages, and under decent working conditions. The Printing Trades Union of America, affiliated with the American Federation of Labor estimate that the diversion of advertising from newspapers and magazines to radio has already resulted in the loss of employment opportunities of some 40,000 to 50,000 union printing trades workers in this country."

"Much is heard of the right of free speech and of our opposition to censorship. The right of free speech is so inherent amongst our people that the Congress in enacting radio legislation has prohibited its own agency, the Federal Communications Commission, from censoring any licensee. Yet, while the Government itself is proscribed by congressional action from censoring that which goes on the air, big business, through its control of the Radio Trust, invokes and maintains a censorship of its own. No person, with the possible exception of the President of the United States and some few Members of the Congress, is privileged to use the facilities of radio broadcasting without first submitting to the station over which he is going to speak at least 24 hours in advance, a copy of that which he is to say, and, unless agreeable to the representatives of the Radio Trust, he is not privileged to deliver his remarks on the air. For example, Mr. Aylesworth testified before a governmental investigation commission that:

"'The National Broadcasting Co. reserves the right to accept, or reject, any programs, and to broadcast only for those we choose to serve.'

"If this is not tyranny, if this is not dictatorship on the part of the Radio Trust, may I inquire what it is?

"A report made to the Congress last winter by the Federal Trade Commission contained reference to a broadcast which very unfavorably commented on the operation of public utilities. The talk was carried over the National Broadcasting Co.'s network, and J. B. Sheridan, director of the Missouri Utilities Committee, immediately wrote to Mr. Aylesworth about the broadcast because of the possible reactions it might cause in the minds of the listeners. Mr. Aylesworth's amazing reply was, to say the least, indicative of the tyrannical and arrogant display of power of members of the Radio Trust. According to the report, he stated:

"'The speaker was permitted to make the speech in order to avoid the accusation that the National Broadcasting Co. was a monopoly.'

"Moreover, he also stated that -

"'This is just one of those things which is not very apt to occur again in the very near future.'"

"During the past few years there has developed a system of trafficking in governmental property, namely, 'trafficking in radio frequencies.' This system is well known to members of the Broadcast Division of the Federal Communications Commission, and, despite their knowledge and despite the fact that Members of Congress have protested against such a practice, it still continues. A notable illustration of this trafficking in radio frequencies is that of the license issued to the Westinghouse Electric Manufacturing Co. Station KYW, which was leased by Westinghouse to the National Broadcasting Co. This frequency was assigned originally to the State of Pennsylvania, which is in the Second Zone. However, the Radio Trust needed another station in Chicago, which is in the Fourth Zone, and it prevailed upon the old Federal Radio Commission to transfer this frequency to the Fourth Zone, and Station KYW was located in the city of Chicago.

"The Radio Trust having acquired subsequently, through purchase, another frequency having a Chicago station located on it, the Radio Trust was not seriously concerned, nor did it strongly interpose objection last year when the Commission decided to return this frequency to the State of Pennsylvania and the Second Zone where it is now located in the city of Philadelphia, probably because the Westinghouse interests already have a high-powered station at Pittsburgh.

"To further illustrate the viciousness of this system, after acquiring a third high-powered station in Chicago, the National Broadcasting Co., which, as I have previously stated, had leased Station KYW from the Westinghouse Electric Manufacturing Co., the licensee turned around and subleased it to Mr. William Randolph Hearst's exclusively owned radio company, known as 'Hearst Radio, Inc.' To avoid a suit, because the lease which Hearst Radio, Inc. had with the National Broadcasting Co. at the time when the Commission ordered the frequency transferred back to the second zone, it is now necessary for the National Broadcasting Co. to sell, lease, or help Mr. Hearst's radio company locate another station in Chicago or elsewhere; otherwise a damage action may be instituted. This situation may also explain the cooperation and willingness on the part of the National Broadcasting Co. to further the interests of Hearst Radio, Inc. It may also explain Mr. Hearst's ability to purchase last year, the high-powered radio station located at Baltimore, known as WBAL, and licensed to the Baltimore Electric Light & Power Co. It may also explain Mr. Hearst's defense of the utility holding companies, a matter which is familiar to every Member of Congress.

"Now, after Station KYW was located in Philadelphia, and the Commission approved the continuance of the licensee in the name of the Westinghouse Electric Manufacturing Co., and gave cognizance to the re-lease by the licensee to the National Broadcasting Co., it further approved one of the most outrageous examples of the arrogance displayed by the Power and Radio Trust interests by permitting a sublease of the facilities of Station KYW by the National Broadcasting Co. to the owners and operators of the Columbia Broadcasting System's station in Philadelphia, namely, Isaac and Leon Levy, who are officers, directors, and big stockholders in the Columbia Broadcasting Co. and brothers-in-law of Mr. William S. Paley, president of the Columbia Broadcasting System. Here is another of many similar instances that not only illustrates what is meant by 'trafficking in radio licenses', but also illustrates the close interlocking connection which exists between, and identifies, these two networks.

"The studios of Station KYW, the National Broadcasting Co.'s network station in Philadelphia, and the studios of WCAU, the Columbia Broadcasting Co.'s Philadelphia outlet, are all housed in the same building, under the one roof, as it were, owned by the Levy Bros., whose connections with the Columbia Broadcasting System I have already mentioned. Naturally an attorney reserves the right to serve whatever clients he sees fit to identify himself with, but it is rather strange, almost bordering on suspicion, to point out to the Members of Congress the fact that one of the Levy brothers, Isaac D. Levy, has represented the RCA-Victor interests in the courts."

X X X X X X X X X X

TO ORGANIZE RADIO ADVERTISING RESEARCH BUREAU

The first meeting of the projected Radio Advertising Research Bureau will be held in New York Thursday, September 19th. As outlined by James W. Baldwin, Managing Director of the National Association of Broadcasters, the new Bureau will be built up through the joint cooperation of the Broadcasters, the National Association of Advertising Agencies and the Association of National Advertisers. A committee of five will represent each of the above named organizations.

The Broadcasters' committee will be composed of Arthur Church, Station KMBC, Kansas City, Chairman; J. O. Maland, WHO, Des Moines; Alfred J. McCosker, WOR, Newark; Edgar Kobak, National Broadcasting Co., and H. K. Boice, Columbia Broadcasting System.

X X X X X X X X X X

EXTRA COPY DROPPED AT N.Y. IN S.F.-LONDON NEWS PHOTO FLASH

Public interest both here and abroad in the most recent speed tests of Major Campbell's "Blue Bird" created an urgency of demand for photographs that has resulted in a new achievement in photoradio transmission. Radio has carried a news picture straight through from San Francisco to London, dropping off a copy in New York, in one operation.

With photograph agencies in London and New York demanding all possible speed, the operating room in New York City decided to try "splitting" the radio signals from San Francisco carrying news photographs. This was accomplished by routing the signals to two separate amplifiers, one operating a recorder here, and the other actuating a radio transmitter at Rocky Point, Long Island, in service with London. The results were entirely satisfactory, London receiving the photograph at the same instant that it was also produced in New York City by the same set of signals.

Engineers pointed out that, aside from the saving of time resulting from this achievement, London benefitted also by a picture as clear as the one received at New York, because of the elimination of "double screening" which would occur if New York had been obliged to transmit the received picture instead of automatically relaying impulses obtained from the original photograph.

X X X X X X X X X X

NEW 100 WATT DAYTIME STATION RECOMMENDED FOR HARTFORD

If the recommendation of Melvin H. Dalberg, Examiner for the Federal Communications Commission, is accepted, the Hartford Times at Hartford, Conn., will be permitted to construct a new 100 watt station operating on 1200 kc. during daytime hours. The Hartford Broadcasting Co. and the Worcester Broadcasting Co., both represented by John M. Littlepage and William A. Porter, each sought the same frequency. The Hartford Times was represented by Robert P. Butler and Frank D. Scott.

The conclusions of Examiner Dalberg were as follows:

"While all of the applicants involved appear to be qualified financially and technically to install and operate the stations proposed, it appears that the granting of the applications of the Hartford Broadcasting Company, Inc., or the Worcester Broadcasting Co., Inc., would be contrary to the policy and practices of the Engineering Department of the Federal Communications Commission with regard to the installation of directional antenna systems to avoid interference to and from existing stations in connection with the assignment and operation of local stations on so-called local frequencies.

"It is not believed to be feasible or practicable to utilize directional antennae on channels allocated for low-power 100-watt stations and this is particularly true with the frequency of 1200 kilocycles, which is involved herein. These channels are allocated for the use of stations with not more than 100 watts power and when directional antennae are used it appears that more than 100 watts are radiated in certain directions, thus preventing the allocation of other low-power stations over a larger and wider area than the present plan of allocation contemplates.

"Under the present plan of allocation, 100-watt stations may operate on the same signal at separations of 185 miles, whereas if the applications of the Hartford Broadcasting Co., Inc., and the Worcester Broadcasting Co., Inc., were granted, the nuisance radius of these stations would appear to extend to a much greater distance and possibly prevent the allocation of any other 100-watt station on this channel east of Detroit, Mich., without unduly restricting its service area.

"The applicant, The Hartford Times, Inc., appears to be well qualified from a financial, technical and legal standpoint to install and operate the proposed station, for which it seeks a construction permit. This applicant shows the possibility of a wide scope of public service and usefulness to its local community in the operation of its proposed station. There is no question involved as to quota and the granting of the application would seem to be in accordance with the public interest, convenience and necessity.

"It further appears that the application of The Hartford Times, Inc., may be granted for daytime operation without causing any interference or restricting the service area of existing stations. This situation would not be true were this application granted for nighttime service."

X X X X X X X X X X

CLAIMED BROADCAST ADVERTISING HAS MADE GREATEST GAIN

Radio advertising has made the greatest gains of any medium since the depression, according to James W. Baldwin, Managing Director of the National Association of Broadcasters. This, Mr. Baldwin declares, is indicated by the fact that broadcast advertising during July, the latest month reported, totaled $5,848,004.

"Our current report makes available for radio as a whole, for the first time, information extending over a two-year period", Mr. Baldwin said. "This comparison for July shows radio far to have outstripped other media in recovery. This is all the more significant when one remembers that, except for a brief setback in 1932 and 1933, radio continued to grow rapidly throughout the depression.

"Of particular interest will be the growth of regional network and national non-network advertising during the period. Station managers also will note with gratification that the decline in national non-network volume in July was considerably less than what seems to be the usual seasonal decrease.

"The strength shown in local transcription business and the continued strong showing of studio programs in the national non-network field both present sales opportunities to the station sales department. The volume of broadcast advertising by national advertisers using station talent presentations in July of this year was 176.1% above that of the corresponding month of 1933.

"Those interested in local business will be interested to note that radio advertising by department stores showed a gain of 27.6% over July of last year, while department store newspaper lineage increased by only .4%.

"The automotive and housefurnishing fields have been joined in their recent rapid growth of volume by the food advertisers, while national non-network and regional network tobacco advertising continues its recent remarkable development. Since this latter seems concentrated at the moment, it would seem that additional stations can utilize this as a sales opportunity."

X X X X X X X X X X

W. D. TERRELL UNDERGOES APPENDICITIS OPERATION

W. D. Terrell, of the Federal Communications Commission, who is one of the two first Radio Inspectors appointed in the United States, underwent an operation for appendicitis recently. It was reported as highly successful and Mr. Terrell is now said to be well on the road to recovery.

X X X X X X X X

SOME TIME BEFORE TELEVISION WILL CROWD RADIO, SAY BRITISH

For numerous other reasons, as well as on account of the costliness of high definition receivers, the day when television in Great Britain will occupy a corresponding place to sound broadcasting is still some way ahead, the British Trade Journal & Export World warns. "People who may have been deferring the purchase of a new sound radio receiver with the idea that they will shortly be able to buy a combined sound and vision set at a price comparable with that which they would pay for a sound receiver are deluding themselves. Anxiety was expressed some time ago by prominent members of the British Radio Manufacturers' Association as to the effect on the public demand for radio receivers, and it was pointed out that for medium and long wave broadcasting, which will continue to constitute the bulk of the B.B.C. transmissions, the present type of receiver will still be required even when a high definition television service is in full operation.

"Although it is now known that the Alexandra Palace, London, has been definitely chosen as the site of the high definition television station for the London area, and that two different systems are to be given an opportunity of demonstrating their capabilities, it is important that the facts in regard to television should be clearly presented. Otherwise there is likely to be a good deal of disappointment; there is also danger that an imperfect realization of the true position may have an adverse effect on the manufacture and sale of sound-broadcasting receivers in the immediate future.

"The two systems to be tried at the Alexandra Palace will be the Baird, using 240 lines, 25 picture traversals and 25 complete frames per second, and the Marconi-E.M.I., with 405 lines, 25 pictures interlaced to give 50 frames each of 202½ lines per second. Schemes for ultra-short wave high definition television servides have been based on the belief that radiation on wavelengths below 8 m. have optical characteristics - that is to say, they are obstructed by dense matter and are not reflected from ionized layers in the upper atmosphere. There is, however, reason to doubt whether this assumption is fully justified. Experiments made by the Marchese Marconi in the Mediterranean first suggested that the range of ultra-short waves was a good deal greater than the limit of optical visibility. Now it seems that British Post Office engineers are picking up and resolving the

Berlin television transmission, and that these have even been received in Buenos Aires.

"The theory of propagation of radio waves would appear to be still in need of revision - whether another ionized layer above the Appleton is at work, or whether there is some other cause for the distant reception of ultra-short waves has yet to be ascertained. Whatever the reason may be, it is evidently necessary to discover its nature and the manner in which it may be expected to affect reception on ultra-short wavelengths before it will be safe to proceed with the erection of a number of transmitters using the same wavelength - a scheme which seemed quite practicable so long as something like optical visibility was regarded as representing the limiting range of each transmitter. For in television, and with ultra short wavelengths, very little interference is needed to ruin reception."

X X X X X X X X

HAMILTON FISH WITHDRAWS RADIO CENSOR CHARGES

A verbal brush between Representative Hamilton Fish, Jr., New York Republican, and a Denver radio station (KOA-NBC) ended peaceably last Tuesday with both sides terming the flareup "a misunderstanding."

Fish publicly retracted his accusation that the station was "denying freedom of speech" and had sought to "censor his anti-New Deal Labor day speech. A. W. Cratzey, Sales Manager of the station, said the matter was a closed incident.

Earlier Fish threatened to launch a congressional investigation into the radio industry when he said he was refused time by the station. Later Fish said he delivered his speech over the air as he prepared it and that it was identical with his later address to a Republican rally, except for interpolations on local politics.

Previously, officials of the station said they had offered to sell Representative Fish a place on their program, but other engagements interfered.

"I do not in any way wish to impugn the motive of the officials of the NBC in Denver, who offered me the opportunity to speak over their radio station at 7:30 o'clock this (last Tuesday) evening prior to a Labor Day outing at Elitch Gardens, but withdrew the offer on the ground that my prepared speech against the New Deal was controversial and would require an answer", Representative Fish said at that time.

X X X X X X X X X X

AD RENEWALS TELL STORY, SAY NETWORKS AT NEWSPAPER CHARGES

Networks answering charges made by the Bureau of Advertising of the American Newspaper Publishers' Association, in a survey entitled "Yardsticks on the Air", point out that there is an unusually high rate of "mortality" among broadcast advertisers with relation to the high renewal of radio advertising contacts.

Columbia claims that 80 percent of its present clientele is on a renewal basis; NBC is said to be about the same, if not higher.

Some of the highlights of the ANPA Bureau of Advertising survey follow:

"Of the 635 advertisers who bought time on the air for some period between 1929 and 1933, inclusive, 448 - or 70.6 per cent - had dropped the use of radio in 1934.

"The study is based on a 22-344k analysis of 79 leading programs, made by an independent research organization from October, 1934, to May of this year. The findings are projected against figures for radio set ownership in the United States, accurately fixed at 19,001,592, in January, 1935.

"The average number of radio homes in the areas to which the 79 programs were broadcast was found to be 12,489,886, and of this number from 13 per cent to 28 per cent were found to be vacant during the favorable evening hours of 7 P.M. to 10 P.M. The average number of sets turned on at any given time during these hours was found to be 4,546,318.

"The average number of listeners to any one station or chain was found to be 1,102,606 - representing 9.1 per cent, of the radio sets in the listening area, and 5.1 per cent of all the homes in the average listening area.******Of the 79 programs analyzed, 54 - or more two-thirds - reached less than the average number of listeners per program; only 25 reached more than average. The largest number of listeners reached by any program was 3,760,400 - the lowest, 179,300.

"The average cost per broadcast among the 79 programs considered was $8,052, of which 35.6 per cent, represented cost of talent. Compared with the number of listeners reached this would mean an average cost per million listeners of $7,302.69.

"Analysis shows, however, that 47 of the 79 advertisers are paying an amount greater than this figure, while only 32 are supporting a cost smaller than average. For the first group of 47, the average cost per million listeners was $19,860 with individual cost figures varying from $10,990 to $44,530."

X X X X X X X X

DECISIONS OF THE FCC BROADCAST DIVISION

Applications Granted

WRGA, Rome Broadcasting Corp., Rome, Ga., license to cover C.P. frequency 1500 kc., 100 w. night, 250 w. day, unltd. time; WDGY, Dr. Geo. W. Young, Minneapolis, Minn., license to cover CP, 1180 kc., 1 KW night, 5 KW day, ltd. time; KVSO, The Ardmorsite Publishing Co., Inc., Ardmore, Okla., license to cover CP, 1210 kc., 100 watts, daytime; WLEW, National Broadcasting Co., Portable-Mobile (New York City), CP to replace transmitter and increase power from 7.5 watts to 20 watts; W6XHF, KTAR Broadcasting Co., Inc., Portable-Mobile (Phoenix, Ariz.), license to cover CP (Exp. Gen. Exp.), frequencies 31100, 34600, 37600 and 40600 kc., 10 watts; W2XE, Atlantic Broadcasting Corp., near Wayne, N. J., modification of license to add frequencies 17760 and 21520 kcs.; W1XAL, World Wide Broadcasting Corp., Boston, Mass., Mod. of license (Exp. Exp. Relay Brdcstg.) to increase power from 5 KW to 10 KW.

Action On Cases Heard By Commissioner Brown

KGFJ, Ben S. McGlashan, Los Angeles, Cal., renewal of license granted, 1200 kc., 100 watts, unlimited time; KFWB, Warner Bros. Broadcasting Corp., Hollywood, Cal., granted renewal of license, 950 kc., 1 KW night, 2½ KW day, unlimited time; Same Station, same Co., Los Angeles, Cal., Granted CP to install new equipment and increase day power from 2½ to 5 KW, 950 kc., 1 KW night, unlimited time; KMPC, Beverly Hills Broadcasting Corp., Beverly Hills, Cal., granted renewal of license, 710 kc., 500 watts, Ltd. time; KRKD, Radio Broadcasters, Inc., Los Angeles, Cal., granted renewal of license, 1120 kc., 500 watts night, 1 KW day, share time with KFSG; also granted Mod. of CP to extend completion date, 1120 kc., 500 w. night, 2½ KW day, share time with KFSG; KRKD 2/3 time, KFSG, 1/3 time; KIEV, Cannon System, Ltd., Glendale, Cal., granted renewal of license, 850 kc.,100 watts, daytime; also granted Mod. of CP as modified, 850 kc., 250 watts, daytime. Commissioner Brown's recommendations were sustained in all of the above cases, Order effective Oct. 1, 1935.

X X X X X X X X X X

TALK BY O. H. CALDWELL

Orestes H. Caldwell, editor of Radio Today, and former Federal Radio Commissioner, in the second of two feature talks on conditioning radio receiving equipment for the forthcoming season's outstanding broadcast events, will be heard Monday, Sept. 9, over an NBC-WJZ network at 9:45 P.M. EST. Caldwell's talk will be titled "Tuning Up Your Radio Set for the Big Programs Ahead."

X X X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF SEPTEMBER 10, 1935

No. 858

September 10, 1935

BRITISH EXPLAIN CAUSES OF INTERFERENCE TO LISTENERS

A feature of the annual wireless exhibition in London - Radiolympia 1935 - was the manner in which the British listeners were enlightened as to the causes of interference, a thing which is a source of grave concern to British broadcasters and manufacturers, especially in connection with their short-wave programs.

There was a special interference exhibit at Radiolympia at which representatives of the British Broadcasting Corporation, the Radio Manufacturers' Association, the British General Post Office and the Electrical Research Association were present to give advice to interested listeners. Here one could examine suppression devices designed for use on ordinary domestic appliances such as fans, vacuum cleaners, refrigerators, electrical sewing machines, etc., and also larger units designed for use on trolley buses, lifts, and industrial apparatus.

The British General Post Office exhibited a free cinematograph film depicting the problems of interference, which are liable to prejudice the success of wireless reception in many countries. Incidentally, the British Post Office receives about 40,000 reports each year with regard to interference caused to broadcast reception, all of which are duly investigated.

Discussing other features of Radiolympia, H. Bishop, Assistant Chief Engineer of the BBC, said:

"The all-wave receiver, which made its appearance at Olympia last year, now finds a place in many of the radio manufacturers' programs. There were, in fact, more than twenty stands at the Exhibition on which some type of receiver was shown for covering more than the normal broadcast bands and five or six of these receivers had specifications comparable with some of the foreign-made receivers which are known to be receiving the Empire Service very satisfactorily in various parts of the world.

"The British manufacturer has, in the past, been slow to take advantage of the opportunities offered by the Empire Service, but I was gratified to learn that some of the manufacturers have not only made plans to produce suitable receivers, but also to market them in Empire countries, and to make arrangements for servicing them. Indeed, one manufacturer has produced a receiver which is for export only.

"The price reductions which have been made in recent years have not been continued this year, but instead, most manufacturers provide more comprehensive performance at last year's price. For instance, at Radiolympia in 1934, there was only one

medium-price receiver having variable selectivity. This year there are at least a dozen. Receivers are almost exclusively of the superheterodyne type, with automatic volume control, and most of them have visual tuning indicators and large open scale tuning dials. One set of particular interest is a 10 valve superheterodyne with wave ranges from thirteen to thirty-eight metres and from thirty to seventy-eight metres as well as the usual broadcasting bands, with a specification which will, I am sure, earn for it a great future in the Empire."

"It was interesting to note that the crystal set has by no means passed into oblivion", a visitor to Radiolympia observed. "With the enormous increase in the power of transmitters during recent years the range of the crystal set has become correspondingly greater. Many people like to listen quietly with headphones in homes where there may be an invalid or a sleeping child. Some who have good valve sets even have a crystal set in reserve for occasions of this kind.

"Another exhibit of interest was a Radio Robot which replied to simple questions, and spoke like an incredibly old man suffering from laryngitis. It was a curious piece of mechanism, but it was difficult to imagine any special use for an automaton of this kind, although doubtless it would be valuable for answering inconvenient questions raised by 'members of the Opposition.'"

X X X X X X X X

CITES ALLEGED MONOPOLY AS REASON FOR GOVERNMENT RADIO

One of the reasons given by Representative Joseph P. Monoghan, Democrat, of Montana, for his intention to press his bill for Government radio ownership in the next session of Congress is what he declares to be a monopoly of commercial broadcasting exercised by the networks.

"When Congress was considering radio legislation in 1927, agents and engineers of the Power Trust and the Radio Trust were most eloquent and profound in their solicitations for the listeners in urban and rural sections", Representative Monaghan declared. "They contended the only solution to the problem was for Congress to set aside 40 of the 90 frequencies for use by high-powered stations.

"Having won their point, the Radio Trust immediately started to corner practically all of these 40 'high-powered' clear-channel frequencies, so that today, between exclusively owned, leased, and controlled stations (The Radio Trust refers to their contract-controlled stations as 'affiliates'), the Radio Trust has possession of more than 35 of these frequencies.

Having obtained possession of the heart of the radio industry, they next started a campaign for the right to boost the power of these stations from 5,000 watts, up to 50,000 watts, and I suppose it will not be very long until these 50,000-watt stations are boosted up to 500,000 watts as was recently authorized for a station in the Middle West. Naturally the higher the wattage, the more power is used - power supplied by the same interests that control and dominate the Radio Trust - power that is purchased at high rates by the advertiser on the assumption that he is getting a wider and more intensive coverage by purchasing time on the high-powered stations owned by the Radio Trust for the advertising of his products.

"As always, who is it in the final analysis that pays for this supposed high power? None other than the radio listener, the prospective purchaser of the advertiser's products for naturally if his advertising expenses are increased in order to help boost the consumption of electricity, then the advertiser has to add this increased radio advertising expense to his manufacturing costs, or reduce the salaries paid to his employees. The situation is comparable to a remark credited to the chief spokesman of the Radio Trust, Mr. Merlin H. Aylesworth, President of the National Broadcasting Co., former managing director of the propaganda institution of the Power Trust, which was called the "National Electric Light Association', who said: 'Never mind the expenses, the public pays it.' This statement, made years ago by Mr. Aylesworth before a convention of the Power Trust interests held in Birmingham, Ala., remains today the slogan of the Radio Trust."

"During the past six months or so, in the city of Shreveport, La., the only two newspapers published there, as well as the only two full-time radio stations, are now owned and controlled by the same identical financial interests who have contracted with the Radio Trust for the broadcasting of its programs over their radio stations. This same condition exists in Wilmington, Del., Lancaster, Pa., York, Pa., and other cities throughout the country.

"What chance has the honest, unbiased, and independent press of the country when it is forced into competition with a newspaper which also controls a radio station and, therefore, can offer the advertiser a reduced combination rate for both mediums. An examination of the hearings held before the Senate Interstate Commerce Commission last January, on the confirmations of the present members of the Federal Communications Commission, will disclose the fact that the Chairman of the Broadcast Division, Eugene O. Sykes, went on record as being opposed to the ownership and control of radio stations by newspaper interests. Hardly a week has gone by since Chairman Sykes, under oath, made this statement, but additions have been made to the list of radio broadcasting stations now owned by large newspaper interests. Nothing is being done to prevent or lessen this far-reaching evil. It is high time that something is done by the Congress to correct this and the many other existing conditions which are being condoned and approved by the Federal Communications Commission."

"Some four months ago the Chairman of the Federal Communications Commision cited 21 member stations of the Radio Trust to appear before the Commission and show cause why their licenses should not be revoked in view of their having repeatedly broadcast a program which the American Medical Association and the Federal Trade Commission had publicly branded as injurious and harmful to the consumer. The hearings on all of these cases was set for June and then postponed until October.

"As all licenses expire in either July or August, we find the Commission citing 21 stations before them for what is termed 'violations of the law' and then the Commission issuing a renewal of the license even while the licensee is under charges. However, this was changed as the Commission did not wait for any hearing but entirely on its own motion whitewashed the entire matter and issued as their reason for this unusual action the fact that the stations had agreed not to broadcast this particular program again."

"The free and independent press of the United States seemingly is now aware of the great danger which is confronting it. Only last week, I understand, the California Publishers' Association, comprising 350 publications with newspapers, located in the various communities of California, other than in the cities of Los Angeles and San Francisco, after careful consideration of the effect which radio control has had on the free and independent newspapers of our country, in convention, have called upon the Congress 'to purge radio of commercial influence' and return to the people of America control of radio. It is my opinion and my belief that this action on the part of the California Newspaper Association soon will be followed by similar action on the part of the newspaper associations in every State of the United States. With such support in addition to the support of labor organizations, farm organizations, educational and cultural organizations, there is no doubt in my mind but that Congress will soon enact my bill for the government ownership of radio."

X X X X X X X X X X

RECOMMENDS NEW OKLAHOMA 100-WATTER

A favorable report has been made by the Examiner on the application of the Oklahoma Press Publishing Co., at Muskogee, Okla., for permission to erect a new station on 1500 kc. frequency, 100 watt power, unlimited time. This recommendation is made on the condition that the applicant installs a suitable antenna and on a site which complies with the recommendations of the Engineering Department of the Commission.

In the case of Station KIEM, Redwood Broadcasting Company, Inc., located at Eureka, Cal., Examiner Seward recommends that a C.P. be granted the applicant changing its frequency from 1210 kc., to 1450; its power from 100 to 500 watts.

X X X X X X X X

ENGLISH WOULD RESTRICT AUTO RADIOS IN BUILT-UP SECTIONS

A new problem may have to be faced by the British auto radios. Assistant Trade Commissioner Henry E. Stebbins in London has notified Washington that he understands the Ministry of Transport is considering the advisability of prohibiting the use of radio sets in automobiles in the built-up areas - that is those sections of the country where the 30-mile per hour speed limit is enforced. Although the Ministry has no intention of forbidding the use of car radios in general, it considers that the use of these sets in built-up areas adds unnecessarily to the risks of the road.

Radio manufacturers and other interests are now being given the opportunity to make suggestions and comments regarding this new restriction, and up to now no definite decision has been made on the part of the Ministry of Transport with respect to its ultimate enforcement.

X X X X X X X X X X

MEDICAL ADVERTISING JEOPARDIZES TWO CHICAGO LICENSEES

If the Federal Communications Commission renews the broadcasting licenses of the Oak Leaves Broadcasting Station, Inc. (WGES), Chicago, for 500 watts power, and WSBC, owned by a corporation managed by Gene T. Dyer, who is also an officer of the Oak Leaves Broadcasting Station, Inc., 100 watts power, it will be because these stations have discontinued the broadcast of a certain type of medical advertising and have given their assurance that there will be no repetition of these broadcasts. Under this stipulation, R. H. Hyde, Examiner for the Commission, has recommended that the licenses be renewed. Judge Ira E. Robinson, formerly a member of the old Radio Commission, appeared in behalf of the stations.

One of the medical advertisements under scrutiny of the Commission, and which has since been discontinued by the station, was that of "Dr. Schyman". According to evidence submitted to the Commission the type of advertising and traffic represented in the Schyman Herb broadcasts is disclosed by the fact that on December 20, 1934, Peter Schyman, two of his associates, Edward Becker and Helen Schymansky, and S.M.S. Laboratories, Inc., (which later became the Pur-Erb Laboratories) pleaded guilty in the District Court of the United States, Northern District of Illinois, Eastern Division, to violations of the Food and Drug Act of June 30, 1906, and as amended by the Act of August 23, 1912. In pleading guilty to the charges preferred in this case the defendants admitted that various claims which are essentially the same as those advanced in

advertising continuities broadcast over the facilities of WGES regarding alleged therapeutic and curative effects, were false and fraudulent.

On October 17, 1923, P. B. Schyman and certain of his companies through which he has operated were cited by the Post Office Department to show cause why a fraud order should not be issued, it being charged that Schyman and his associates were engaged in conducting a scheme for obtaining money through the mails by means of false and fraudulent pretenses, representations and promises, in violation of 39 U.S. Code 259 and 732. As a result of the proceedings instituted by the Solicitor of the Post Office Department, Schyman voluntarily entered into a stipulation to absolutely discontinue and abandon the sale of medical advice and preparations through the mails under his personal name or any other name or names.

These medical broadcasts were especially directed to the foreign population of Chicago; one night it would be accompanied by Lithuanian music and the Lithuanians appealed to, the next by German music with the broadcast directed to the Germans; the next night the Poles, and so on.

X X X X X X X X

CLAIMS NEWS BROADCASTS WHET READERS' APPETITE

A contest by Station WTMJ, owned by the Milwaukee Journal, is reported to have revealed the fact that the station's news broadcasts are creating more readers for the paper and causing old readers to follow the news more closely.

The primary reason for the contest was a desire on the part of the WTMJ management to increase the afternoon listening audience and to secure data to prove to advertisers the potential possibilities of using afternoon time, it is explained by Walter J. Damm, promotion manager of the Journal, and also executive director of WTMJ. Cash prizes were awarded each week for a series of three weeks to the listener who submitted the best sets of answers to 36 questions, six of which were broadcast each week-day afternoon. Contestants also were required to state which WTMJ program they liked best and to give their reasons why. Reasons given for preferring the news broadcasts, included the following:

"When I have not any time to read the Journal, I at least know the headlines."

"They are so well put on and make us so much more anxious for our Milwaukee Journal."

"I can get the highlights of the days happenings while I'm busy about the house."

The news broadcasts are not available for sponsorship although announcements preceding and following are available.

X X X X X X

WILL AGAIN URGE NATIONAL ANTHEM S.W. SIGN-OFF

When Representative Virginia E. Jenckes, of Indiana, speaks over the NBC-WEAF network at 5:45 P.M. EST Saturday, September 14th, she will again advocate that our short-wave stations sign off with the National Anthem as those of other countries do.

Representative Jenckes, who is the author of the American Flag Act now pending in Congress, will speak to the radio audience on the subject, "The American Flag Act and the American Constitution", but will digress in order to mention the closely related matter of the short-wave station sign-off. Mrs. Jenckes has already taken this up with Anning S. Prall, Chairman of the Federal Communications Commission and the General Electric short-wave station W2XAF, as a result, is now regularly signing off each night with the "Star Spangled Banner."

X X X X X X X X

PIONEER DETROIT STATION TO HAVE NEW $500,000 HOME

Construction has begun on a building devoted exclusively to broadcasting directly across the street from the Detroit News building on Lafayette and Second Avenue, Detroit. It will be the home of WWJ, the Detroit News station.

Announcement of this project was made during the celebration of WWJ's fifteenth anniversary on August 20th by Jefferson B. Webb, Manager of WWJ. To cost in the neighborhood of $500,000, WWJ's new home will be constructed of stone in a design which is strictly modern.

The first of the four floors will house a studio with a seating capacity of 500. The second floor will be devoted tu business offices. Four more studios will be located on the third floor. Each of these will be treated accoustically just as the large studio on the first floor. They will be floated, that is, suspended so that earth jars and noises cannot be conducted to the microphones. The third floor will also have a sound effects room for use in the presentation of dramas. Here also will be found the main control room for all studios. The fourth floor will contain a visitors' balcony, a private audition room, rehearsal room, a library and the offices of the continuity department and members of the producing staff.

X X X X X X X X X

ADDITIONAL POINT-TO-POINT RADIOTELEPHONE REQUIREMENTS

The Telephone Division of the Federal Communications Commission has ordered that every radiotelephone common carrier (except those operating exclusively in Alaska) which holds a point-to-point telephone station license shall file a supplementary statement with each application for renewal of license for the next license period only, showing:

(a) The name of the organization operating the other end of each circuit designated in the license sought to be renewed and its relation to other communications operating or holding companies in the same country and any affiliation which it may have with any communications operating or holding companies or administrations in other countries.

(b) The number of paid public messages, the average chargeable time and the revenue derived from such messages transmitted during the month of July, 1935, to each point specifically designated in the license sought to be renewed, showing (1) the number, the average chargeable time and the revenue of such messages originating in the United States, and (2) the number, the average chargeable time and the revenue of such messages originating outside of the United States and the names of the countries wherein such messages originate.

(c) The name of each point of communication specifically designated in the license sought to be renewed to which no paid public messages have been transmitted during the license period, prior to the date of this Order.

(d) (1) The name of each point of communication specifically designated in the license sought to be renewed, to which paid messages were transmitted at some time during the license period but to which no paid public message was transmitted during the month of July, 1935.
(2) The number of such paid messages transmitted together with the average chargeable time and the revenue derived from such paid messages.

(e) The reason for not handling paid public messages at each point that may be listed under (c) or (d) above.

(f) The reason for desiring to continue inactive points of communication in the license.

(g) The number of paid messages received during the month of July, 1935, from each fixed point outside of the United States from which messages are received and the names of the countries from which such messages are sent.

X X X X X X X X

AUSTRIAN RADIO CARTEL PROBABLE

Negotiations among Austrian radio manufacturers are reported to have made considerable progress recently toward the establishment of a radio cartel in Austria. It is believed that the cartel may become effective by August 15, Gardner Richardson, Commercial Attache at Vienna reports.

It is proposed to confine production to certain types of apparatus and equipment, thus reducing production costs. No price increases are expected as a result of the new cartel, which will endeavor to stop price cutting and to fix production contingents for individual plants. A special endeavor of the new cartel will be the promotion of radio exports, which although increasing in quantity, have declined relatively from 30% of total sales 3 years ago to 10% of total sales this year.

X X X X X X X X X X

WOR EXPANDING BUSINESS OFFICES

In a new business office expansion move at WOR, the Bamberger Broadcasting Service has acquired the two complete floors at 1440 Broadway, comprising the twenty-fourth and twenty-fifth floors and a portion of the twenty-third.

A new reception room now being built is to be decorated completely in the modern manner and is being accoustically treated. The sales offices are being considerably expanded as are the offices of the Mutual Broadcasting System.

X X X X X X X X X X

GERMAN RADIO EXPORT TRADE DECLINES BUT U.S. INCREASES

Although the German radio industry has notably increased its sales in the domestic market, export business has been markedly curtailed, according to a report from Vice Consul C. T. Zawadski, Berlin. Foreign sales at the present time, it is pointed out, amount to less than 10 per cent of the industry's total turnover.

Commenting on these figures, the German trade press points out that in the same period that German export trade was declining, exports of American radio equipment registered a substantial increase. The United States advance and Germany's decline, it is admitted, came at a time when the German radio industry was favored by a strong domestic demand. Although stocks of sets in factory or trade hands began to pile up at an alarming extent during this period of domestic radio market prosperity, business in general was favorable.

While it is anticipated that domestic demand will continue to improve, it is anticipated in the trade that the advance will be much slower than it has been in the past two or three years. In view of this, it is pointed out, the industry will be more dependent on increased development of foreign markets.

X X X X X X X X

RADIO FLASHES INCREASE SPOT NEWS NEWSPAPER DEMAND

The Rogers-Post crash produced enormous circulation gains for every paper in the country. A quick check-up reveals increases in paper sales from twenty-five up to thirty-five per cent. The effect was felt by the largest to smallest dailies.

In checking with circulation managers, "Newsdom" finds that the majority credit the radio news flashes that preceded the extras as the force behind the skyrocketing circulation figures on that day.

"Many circulation experts point out that this unprecedented sale of papers would have been impossible if publishers did not have the news casts that literally drove the people to the newstands hungry for details and additional information on the catastrophe", Newsdom continues. "Thousands of 'extra' boys on the streets could not have produced anything near the figures attained.

"The Lindbergh kidnapping and the Hauptmann trial are other fine examples of the strong ally that newspapers have in radio. There are also hundreds of examples of local happenings not of national importance where the local radio station has been brought into play to the successful advantage of the newspaper."

X X X X X X X X

NBC PROGRAMS TO BE STAGED AT N.Y. RADIO SHOW

Some of the National Broadcasting Company's best known programs will be presented directly from the NBC's remote control studio at the National Electrical and Radio Exposition to be held in Grand Central Palace, New York City, from September 18 to 28.

The exposition will feature the latest developments in the field of electricity and radio and will show the place these inventions play and will continue to play in the future. Modern electric and radio wonders will be explained in the specially erected "Hall of Science".

X X X X X X X X X X

NEW RADIO SURVEY

An audit of one day's broadcasting is contained in a new type of study, showing a comprehensive record of the use of radios in one locality during an entire day, now being supplied to advertisers, agencies and broadcasting stations by Edwin G. Booz and Fry Service of Chicago.

This new type of radio checking service covers findings from a study that was made in Chicago and suburbs on Sunday, April 14, 1935, from 8 A.M. to midnight, and a similar check covering radio broadcasting on Tuesday, April 16, 1935.

The report reflects the relative popularity of different programs, stations and hours of the day in one particular area rather than an attempt to cover widely scattered areas in which conditions vary.

Information contained in the report was collected by personal interviews, rather than by telephone, and was based on the "check list" or "program roster" method of checking.

X X X X X X X X X X

PHILA. PAPER SHARES NEWSCASTS

The Philadelphia Daily News is now sharing with a local clothing retailer the WFIL News Bureau broadcast on which it obtained spot announcements by swapping newspaper advertising space with the station.

X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF SEPTEMBER 13, 1935

No. 859

BRITISH TELEVISION DELAYED -- RESULT STILL IN DOUBT

British television will probably not get started before March, which is considerably later than was originally intended, according to Andrew W. Cruse, of the U. S. Commerce Department, who recently returned from an extended trip abroad devoted to a study of the television situation. Also Mr. Cruse seems to be in considerable doubt as to what the results may be after the British get under way. This is based on a lengthy report which he has just received from Trade Commissioner Henry E. Stebbins in London.

Commenting upon this report, Mr. Cruse said:

"The report of Mr. Stebbins, Assistant Trade Commissioner, is to me most interesting. Here we have a picture of the stage being set for the inauguration of high definition Television in England. The atmosphere is becoming tense, 'The air is still filled with rumors', efforts are being made to calm the nerves of the radio manufacturers and the motion picture interests, both of which have been jittery over the possible effect on their business ever since the publication of the report of the Television Committee in January of this year. Only the actual presentation of the proposed Television programs from the Alexandra Palace transmitters of E.M.I. and Baird will clarify the situation and answer the questions now being asked regarding the future of Television for entertainment. I can only repeat what I have said before, and that is, that in my opinion, after having seen both the Baird and E.M.I. systems in operation, I feel that the entire future of British Television depends entirely upon the ability of the British Broadcasting Corporation to present programs which will be enthusiastically received by the public. Technically, both the transmitting and receiving equipment is adequately satisfactory to introduce this service at this time but the unknown factors are - program material and program presentation. Will the novelty of this new art be sustained after the novelty has worn off? We, in the United States, can learn many valuable lessons which may later save us many dollars by patiently watching this development of the British Television picture.

"Mr. Stebbins is very well qualified to observe Television developments for us in England. He accompanied me on all my visits to the various laboratories during my stay in connection with this subject. He knows the engineers who are doing the work, - he knows the manufacturers who are making the receiving equipment, - he knows the people at B.B.C. who will present the programs."

The report of Mr. Stebbins reads, in part, as follows:

"While the General Post Office is still considering the tenders of Baird Television Co., Ltd., and the Electrical and Musical Industries, Ltd., for the construction of the two stations to be erected at the Alexandra Palace, the air is still thick with rumors as to how far and how soon the public broadcast of television will progress. Each company directly interested in television is handling its affairs in its own particular way with little or no reference to each other. The two big companies, Baird and E.M.I., are working along entirely different lines with no thought of cooperation, while other firms, not now concerned with transmission, but only with reception, are treading water nervously until the broadcasts actually begin.

"The Radio Manufacturers' Association has, after a considerable amount of hedging, decided to permit a 'composite exhibit' of television at the forthcoming Radio Show to be held at Olympia. There will definitely be no demonstration of television reception by individual manufacturers, but the R.M.A. will itself conduct the 'composite exhibit illustrative of television.' Just what form this exhibit will take and of how much value to the public it will be is extremely doubtful and officials of the R.M.A. are unwilling to commit themselves in advance to any expression of opinion.

"Of the two companies which are to commence television transmission for the British Broadcasting Corporation, the Baird Company continues to lead in publicity, although recently there have been unmistakable signs of a falling off either in the interest of the press or the enthusiasm of the company's executives. Whereas up to 3 or 4 weeks ago, it would take nothing less than the declaration of a World War to keep television off the front page of the Gaumont-British-Baird owned Sunday Referee, in recent weeks the subject has been relegated to the inside pages, if, indeed, it appeared even there. One move on the part of Baird which was considered at first to be adroit was the arrangement for Captain H.G.D. West, Baird's technical director, to make a speech at the Annual Convention of the Cinematograph Exhibitors' Association. The motion picture exhibitors, traditionally in a state of nerves over difficulties real or imaginery, had worked themselves into a regular breakdown at the prospect of competition from television in the home. To combat this, and in an attempt to down this idea once and for all, Captain West went to Cardiff to calm the exhibitors.********

"Discussing the commercial aspects of television in the cinema, Captain West wound up his speech by saying: 'I have to say that good television pictures in one form or another will be shown in London cinemas before the end of the year. They will show results of fair etertainment value, and should attract the public from this point of view rather than from the point of novelty, or from the fact that television is a matter of the moment. I think I am right in saying that within two years from now several London cinemas will be taking regular television

items in their programs.....I am convinced that even if programs for the home were made really attractive the average member of a family will still want to go out to his local cinema or theatre and laugh and cry and enjoy himself in common with many hundreds of others. One cannot get away from the fact of mass psychology and its unconscious attraction. Television in the cinema is in its experimental form now, but it is gradually developing to become a feature in the program presentation. The cinema need have no fear of television in the home were made really attractive the average member of a family will still want to go out to his local cinema or theatre and laugh and cry and enjoy himself in common with many hundreds of others. One cannot get away from the fact of mass psychology and its unconscious attraction. Television in the cinema is in its experimental form now, but it is gradually developing to become a feature in the program presentation. The cinema need have no fear of television in the home as regards reducing box-office receipts.....'

"The Daily Telegraph was the only London morning paper which reported this speech and that only in 10 lines, but the Sunday Referee in headlines stretching across the whole front page announced to its readers: 'First Cinema to Instal Television.' The article went on to say that equipment was now being installed in the Dominion Theatre, London, under conditions of 'great secrecy' by the Baird Company.

"In the meantime, Baird Television, Ltd. held its annual meeting. The task of the Chairman, Sir Harry Greer, was a difficult one, for the debit balance of £49,800 shown by the profit and loss account had been transferred to the general development account, following the procedure of previous years. This general development account now amounts to the colossal sum of £367,000. Moreover, the auditors stated that under present conditions they were unable to form an opinion as to the value to the company of this expenditure. To explain how the shareholders can hope to obtain a return on their money was the Chairman's difficult task. In lieu of any actual profits the following prospects were held out: revenue from the B.B.C. for the transmitting apparatus to be erected at Alexandra Palace, and subsequently revenue from further orders for provincial and foreign stations, revenue from royalties on patents and technique and profits from manufacture and sale of receiving sets.

"The Electrical and Musical Industries have not been so active in their publicity. In fact they next to Baird seem most reticent in informing the public of their activities. This is doubtless due in large measure to the fact that the company manufactures radio sets and enjoys a prosperous business from them. But another reason is that the officials of the company genuinely believe that they have a television system far better than any now in existence and they are content to await the opportunity to demonstrate it side by side with their competitors when the time is ripe.*********

"The same general attitude is reflected in conversations with officials of E. K. Cole, Ltd., one of the largest radio manufacturers in the country. This company has a large but not a controlling interest in Scophony, Ltd., which, although one of the firms considered by the Television Committee to erect a transmitting station, was finally turned down in favor of Baird and E.M.I. Since then Scophony has devoted its major efforts in research and development in receiving sets and E.K. Cole, Ltd., realizing the value of having a hold in the new industry, bought up almost half of the shares of scophony. Technically, the Scophony system is based on optico-mechanical (mirror drum) methods, quite different from the cathode ray principal employed by both Baird and E.M.I. in their receiving sets. In spite of Baird's contention to the contrary, it is E.K.Cole's opinion that Scophony is developing the only method for direct large-screen television for cinema theatres. The directors of E. K. Cole, Ltd. have taken the attitude that with a profitable radio business making more money each year, the company can afford to have a finger in the television pie without having to resort to elaborate and expensive publicity methods by which to sell television to the public. It is the opinion of the chairman and other executives of the company that television is 'making its first bow out of the laboratory into the commercial arena' and that some years must elapse before television can become the medium of national or international education and entertainment which sound broadcasting has already achieved.

"The fact that two systems are to be used at the Alexandra Palace has given rise to considerable doubt as to whether receiving sets can be made capable of receiving both systems. Each of the companies entrusted with the establishment of the stations claim that such sets can be manufactured. The two standards - Baird's 240 lines and E.M.I.'s 405 lines - are bound to complicate a receiving set and thus make it more expensive. Should the complications involved in two standards continue it may be well that the cost of receiving sets will remain so high that the general public if it is to witness television at all, will have to do so in the cinema. This leads to still further problems because under the B.B.C.'s monopoly of television, the Postmaster General's permission will have to be obtained before anyone but the B.B.C. may transmit television programs to the cinemas."

X X X X X X X X

NEW STATION URGED FOR SAN DIEGO

Issuance of a construction permit to the Pacific Acceptance Corp., San Diego, Cal., to erect a new broadcasting station in that city for operation on 1200 kc. with 100 watts power, daytime only, was recommended to the Federal Communications Commission September 9 by Examiner P. W. Seward.

San Diego already has two stations, KFSD and KGB, operating with power of 1 KW each. Examiner Seward held, however, that a need exists for additional local service. Among other things, he cited the temporary residence of 60,000 Navy men.

Simultaneously, Examiner Seward recommended that the Pasadena Presbyterian Church, Pasadena, Cal., be allowed to increase its power from 50 to 100 watts, day and night, sharing time with KFXM, San Bernardino, Cal.

Denial of an application by KGGC, San Francisco, to change its hours of operation from limited to unlimited was recommended by Examiner Melvin H. Dalberg.

X X X X X X X X

NAB APPOINTS STRONG PROGRAM AWARDS COMMITTEE

Big names in the industry are included in the committee appointed by Leo Fitzpatrick, of WJR, Detroit, President of the National Association of Broadcasters, to cooperate with the Radio Manufacturers' Association on the Radio Industry Foundation of Program Awards. Its personnel is as follows:

Chairman, Lambdin Kay, WSB, Atlanta; Members: M. H. Aylesworth, President of the National Broadcasting Company; Burridge Butler, WLS, Chicago; William S. Paley, President of the Columbia Broadcasting System, and Mr. Fitzpatrick.

As announced sometime ago by Leslie F. Muter, President of the Radio Manufacturers' Association, the Manufacturers Committee on Awards is: Powel Crosley, Jr., of Cincinnati, Chairman; Commander E. F. McDonald, Jr., President of the Zenith Radio Corporation, of Chicago; George Scoville, President of the Stromberg-Carlson Company, Rochester, N. Y., and N. P. Bloom, President of the Adler Manufacturing Co., Louisville, Ky.

X X X X X X X X X X

BRITISH APPOINT NEW EMPIRE PROGRAM DIRECTOR

J. B. Clark, who has been Empire Program Director of the British Broadcasting Corporation since the inception of the Empire Broadcasting Service in 1932, has been appointed Empire Service Director.

Mr. Clark in his new capacity will be responsible to the new Controller of Programs, C. G. Graves, who will shortly succeed Col. Alan Dawnay. Mr. Graves has been the Director of Empire and Foreign Services of the BBC since 1932.

X X X X X X X

SAY RADIO ACT IS CONSTITUTIONAL

Legal authorities in the Capital apparently were somewhat puzzled by a report that a sub-committee of the Lawyers Vigilance Committee, formed to investigate the legal aspects of the New Deal legislation, was, among other things, preparing a report on the Federal Communications Commission. Inasmuch as the work of the committee apparently has to do with the constitutionality of the New Deal acts, the opinion was expressed that the Federal Communications Act as a whole was believed to be constitutional since it was simply an extension of the old Radio Act and part of the Interstate Commerce Commission Act, both of which have been upheld by the courts.

It was said that while several of the provisions of the FCC Act might not hold water constitutionally, that for the most part it was believed the Act was sound.

X X X X X X X X

DAUGHTER OF FRANK WISNER TO BE MARRIED

Miss Margaret Wisner, daughter of George Franklin Wisner, Chief of the Press Division of the Federal Communications Commission, and Mrs. Wisner, will be married Saturday afternoon, September 21, to Gordon Smith Parker, prominent patent attorney, of Washington.

Miss Wisner comes from an old and historically famous family of Maryland. Mr. Parker, who is in the United States Patent Office, is a graduate of the Virginia Military Institute, and National University.

The wedding will take place at Grace Episcopal Church, at Woodside, Md., a suburb of Washington.

X X X X X X X X X X

LOUDSPEAKER COVERS THREE MILES

The old-fashioned political gathering that gave way to the address from a broadcasting studio may reappear on a larger scale if a loudspeaker developed in Germany proves practical.

The loudspeaker is capable of carrying either a radio program or an address nearly three and three-fourths miles (6 kilometers), according to a Trade Commissioner's report to the Department of Commerce.

Its inventor, Eugen Beyer, who has a small factory in Berlin, asserts it will cover a minimum distance of six-tenths of a mile (1 kilometer) under any condition. The maximum coverage is promised under good broadcasting conditions.

Compressed air, developed by a motor inside the loudspeaker, is the secret of the long range. The loudspeaker itself is larger than the average cabinet radio receiver, being 6 x 4 feet. Although it amplifies some 100 times, it uses but a small amount of electricity and can be operated from an ordinary light socket.

X X X X X X X X X

WHEN AMATEURS AREN'T AMATEURS

With the wet-dry issue somewhat in the background nowadays, the Women's Christian Temperance Union has turned its gun on radio programs. The opening blast was fired at the W.C.T.U. convention in Atlantic City late in August by Mme. Yolanda Mero-Irion, of New York Advisory Chairman of the Women's National Radio Committee.

The so-called amateur hour, which has spread itself rapidly over the dial in recent months, was the center of Mme. Mero-Irion's attack.

"Twenty per cent are really amateurs", she said, "fifty per cent are professional amateurs, and the remaining thirty per cent are former vaudeville performers unable to obtain work in their own field, forced to act as amateurs to solve the vital grocery problem."

These amateurs, on the stage and on the air, now number 5,000, she said, with no signs of a let-up.

Mme. Mero-Irion also attacked radio advertisers who urge children listeners to beg their mothers to buy their breakfast foods and producers who persuade precocious children to sing the sophisticated songs of Broadway over the air.

X X X X X X X X X

WMAQ READY FOR 50,000 WATT DEBUT

According to word received from Chicago from Niles Trammell, Vice-President of the National Broadcasting Company, everything is all set for the dedication of the new 50,000 watt transmitter of Station WMAQ, Sunday, September 15, from 10 P.M. to 1 A.M. C.D.S.T.

Mr. Trammell reports that the increased power will enable the station to serve the radio audience in the Chicago area better than ever before. He extends a cordial invitation to everyone to listen to WMAQ's dedication broadcast Sunday night.

X X X X X X X X

EXHIBITORS INCREASE AT FRENCH RADIO SHOW

The participants in the 12th International Radio Show at Paris will number 220, a decided increase over last year's 200 exhibitors. For the first time, the Government radio service will participate in the show, and a special "salon d'honneur" is to be reserved for its exhibit. The general propaganda section - as distinct from the purely commercial and industrial exhibits - will be, according to those organizing the show, larger and more attractive than ever before.

An interesting innovation is the special conference hall which is to be placed at the disposal of exhibitors who may wish to assemble their agents, in order to explain and demonstrate their new models, Assistant Trade Commissioner Lestrade Brown, Paris, advises.

X X X X X X X X

W. U. EXTENDS WIRES

Western Union Telegraph Company on September 10 was granted authority by the Telegraph Division of the Federal Communications Commission to enlarge its service temporarily between Shreveport and Homer, in Louisiana.

The order permits Western Union to supplement its permanent service between the two points for a period of 160 days by leasing from the Southern Bell Telephone & Telegraph Company, a telegraph circuit at a charge not to exceed $96 a month. The distance is 60 miles.

X X X X X X X X

PERTINENT DATA ON DAYTIME PROGRAMS

The heralded study of daytime broadcasting by the Market Research Corporation at the instance of the National Broadcasting Company has been completed and some highly interesting facts have been published in a handsome brochure by NBC, ("Sales Begin When Programs Begin"). Some of these are:

On the average week-day (Monday through Friday) at 11 A.M., for instance, there are more than 16,000,000 radio homes with persons present and awake.

The greatest dip in potential daytime listening audience occurs in the early afternoon, climbing again to above the 11 A.M. peak at 6 P.M.

In the early morning the audience is less because of the variance in time zones, but in the eastern time zone alone at 8 A.M., the average available homes is 9,000,000.

The survey gives an analysis of the potential radio audience for every half-hour of the day and night from coast to coast. The total varies from 75 to 90.4 per cent of all radio families in the country.

The breakdown shows the number of adults and the number of boys and girls awake in radio homes at any half-hour.

Representing one of themost extensive surveys of its kind ever conducted, the data was collected by personal interviews and telephone calls in April, 1934. So voluminous was the information gathered that six months were required to analyze it.

X X X X X X X

GERMAN RADIO TRADE BOOMS

The number of registered radio receiving sets in Germany increased by 1,200,000, or 22 per cent, during the year from August, 1934, to July, 1935, according to the German Institute for Business Research.

Because of government stimulation, broadcasting was improved through modernization of existing transmitters and construction of new stations. The present demand is for a new type of low-priced receiver (Volksempfanger). The number of sets per 100 homes is 36 as compared with 21 in 1931.

X X X X X X X X X

MUTUAL AND YANKEE AID DRUG CLEAN-UP

The Mutual Broadcasting System and the Yankee Network of New England recently announced they had joined The Proprietary Association as associate members so that this broadcasting group could take advantage of the Association's Advisory Committee on Advertising. This marks the first time that radio networks have affiliated themselves with an organization that is pledged to bring proprietary and cosmetic advertising into line with reasonable requirements of therapeutic accuracy and good taste.

The Proprietary Association is composed of manufacturers of 80% of the packaged drug products being marketed in America today. The inauguration by the Association a year ago of an advertising Preview Committee was said to be the first effort on the part of an industry to voluntarily control the advertising of its members.

The following statement was issued by executives of the Mutual and Yankee Networks:

"We have observed the work that has been done by the Proprietary Association's Advisory Committee on Advertising in its efforts to improve advertising standards in the packaged medicine field and we believe this organization has already had a far-reaching influence in curbing unwarranted claims and generally improving the tone of advertising.

"We appreciate our responsibility to the radio audience and we are definitely in favor of advertising control that is reasonable and fair to the radio listener and the advertiser."

X X X X X X X X X

PHILCO ISSUES WORLD RADIO ATLAS

For the benefit of the all-wave listeners, Philco has issued a radio atlas of the world, a 36-page book (size 7 x 10 inches) containing information of considerable value. The atlas contains double-page maps of the world and the continents in five colors; photographs and stories of foreign radio artists and stations; a complete, up-to-date log of radio stations including the principal stations of the world; and many other interesting features.

The atlas is priced at 50¢ but for the time being is being distributed free through Philco dealers.

X X X X X X X X X X

DECISIONS OF THE FCC BROADCAST DIVISION SEPT. 10

Applications Granted - WFBR, The Baltimore Radio Show, Inc., Baltimore, Md., C.P. to install a 250 watt auxiliary transmitter; New, Roy L. Albertson, Buffalo, N. Y., The Commission, upon its own motion, reconsidered and granted CP heretofore set for hearing, for a new station to operate on 1370 kc., 100 watts night, 250 watts day, share WSVS; WMBR, Florida Broadcasting Co., Jacksonville, Fla., C.P. in hearing docket, amended, and granted authority to move transmitter locally, install new eqpt. and increase daytime power to 250 watts; WAGF, Dothan Broadcasting Co., Dothan, Ala., Mod. of CP to make changes in equipment; WMFR, Hart & Nelson, High Point, N. C., Mod. of CP to move transmitter and studio locally, make changes in equipment and extend commencement date to 30 days after grant and completion date to 160 days thereafter.

Also, WDAE, Tampa Times Co., Tampa, Fla., extension of special exp. auth. for the period Oct. 1, 1935, to April 1, 1936, to operate with additional 2½ KW power daytime; WCFL, Chicago Federation of Labor, Chicago, Ill., license to cover CP as modified authorizing move of station locally, installing new eqpt. and increasing power to 5 KW. Also granted authority to determine operating power by direct measurement of antenna input; and granted CP to move present licensed main transmitter to York Township, Ill., also granted license to use present transmitter as auxiliary; WPEN, Wm. Penn Broadcasting Co., Philadelphia, Pa., license for auxiliary transmitter to operate on 920 kc., 250 watts; KTRH, KTRH Broadcasting Co., Houston, Tex., extension of special experimental authority to operate on frequency 1290 kc with 1 KW nighttime power and 2½ KW daytime, to end not later than Nov. 1, 1935.

Also, WMT, Waterloo Broadcasting Co., Marion Township, Ia., extension of special authority heretofore granted to operate with additional power of 500 watts night, 1½ KW day for period ending March 1, 1936; WTCN, Minn. Broadcasting Corp., Rose Township, Minn., authority to determine license power by direct measurement of antenna input; WCOA, Pensacola Broadcasting Co., Pensacola, Fla., consent to transfer control of Pensacola Broadcasting Co., licensee of Station WCOA, from John C. Pace, Burgess Pace and Beecher Hayford, to The News Journal Co., publishers of the Pensacola Journal and the Pensacola News.

Also, General Electric Co., Portable-Mobile, Schenectady, N. Y. (2 new applications) CP for new general exp. station, broadcast pickup; frequencies 31100, 34600, 37600 and 40600 kc., 2 watts; New, WDSU, Inc., Portable-Mobile (New Orleans), CP for new broadcast pickup station to operate in the temporary service; frequencies 1646, 2090 2190, 2830 kc., 3 watts.

X X X X X X X X X X

Note Last 11 page 1

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF SEPTEMBER 17, 1935

No. 860

September 17, 1935

CLEAR CHANNEL RESULT TO BE KNOWN JANUARY 1

The work of the radio engineers who are seeking to ascertain the efficiency and necessity for maintaining 40 clear channels for coast-to-coast broadcasting has been completed and a careful analysis is now being made of the record. Also thousands of replies are being indexed that were received as a result of the Broadcast Division of the Federal Communications Commission sending 100,000 post-card questionnaires to farmers and others living in rural or remote sections of the country seeking information with regard to reception in all parts of the United States. It is expected that the result of the entire clear channel survey will be made known about January 1st. Upon this conclusion may rest the decision as to whether or not the present clear channel setup should be maintained or broken down.

For the past six months, ten observation posts especially established throughout the country to secure first hand engineering data in a survey of the clear channel, regional and local stations during the Winter and Spring months, have been in constant use.

The engineering survey involved four lines of endeavor as follows - Continuous field intensity recordings of clear channel stations, the records being made at distances varying from 1000 to 3000 miles; an analysis of duplicated clear channels (such as 790 kilocycles occupied by WGY, Schenectady, and KGO, Oakland, Calif.), with complete determination of radiation characteristics of the individual stations as well as determination of the filed intensities and service rendered in the areas between stations; field intensity measurements made in rural districts throughout the United States with correlation with listener habits as determined by personal investigation, and listener habit survey of rural audiences which was conducted by post-card by the Commission.

It is believed much valuable information will be received from the questionnaires to the farmers, not only of use to the Communications Commission but also of importance to the broadcasting industry. For instance, the farmers were asked the make, number of tubes, of their radio sets, when purchased, the name of their four favorite radio stations and finally for any general comment on the broadcasting situation they cared to make.

Dr. C. B. Jolliffe, Chief Engineer of the Communications Commission was in charge of the work, assisted by Andrew D. Ring, of the Engineering Division and Dr. J. H. Dellinger of the Bureau of Standards. J. C. McNary, Technical Advisor of the National Association of Broadcasters, represented the broadcasters inasmuch as the undertaking was participated in by about 35 stations who were bearing the greater portion of the expense. The survey when finally completed will have involved an expenditure of approximately $60,000, of which one-fifth will be paid by the Commission.

X X X X X X X X

ALL-WAVE SET MFRS. TO CONSIDER TRADE PRACTICE AGREEMENT

A meeting of the Board of Directors of the Radio Manufacturers' Association will be held in New York Wednesday, September 25, to consider the proposed code of practices for the all-wave set manufacturing industry, to submit to the Federal Trade Commission. Along with more than a score of other industries, the Radio Manufacturers' Association, through its Vice-President, Bond P. Geddes, applied to the Federal Trade Commission for a trade practice agreement following the expiration of the NRA codes.

The proposed trade practice agreement was considered following questions raised by the Federal Trade Commission regarding the use of "All Wave", "World Wave" and similar terms in advertising and merchandising of short-wave sets. Two years ago the Association's Board of Directors, following recommendations of its Engineering Division, formally adopted a definition for "All Wave" sets in the American market to include sets with a reception range from 540 to 18,000 kilocycles. This definition was questioned by the Federal Trade Commission but continuation of the "All Wave" term is proposed by the RMA in its conferences with the Commission. Also the "All Wave" term has received the official endorsement of the Federal Communications Commission.

A letter from Andrew Ring, Acting Chief Engineer of the Communications Commission, to Mr. Geddes, supports the "All Wave" term as correct and not misleading. Individual cases involving use of the "All Wave" and similar terms have been suspended by the Trade Commission pending consideration of the proposed RMA trade practice agreement for set manufacturers. The latter covers many merchandising practices and will be presented formally to the Federal Trade Commission following its consideration by the Board of Directors at New York. It will then be submitted to all set manufacturers.

X X X X X X X X

SCRIPPS-HOWARD NEWSPAPERS GO IN FOR RADIO

The filing of application by the Scripps-Howard newspaper alliance for broadcasting facilities in Cincinnati, Columbus and Toledo is said to be a forerunner of this organization's seeking radio affiliation in the twenty-four cities in which it publishes newspapers. A separate corporation, the Continental Radio Company, with Karl A. Bickel, former President of the United Press, as President, and James C. Hanrahan, as Vice-President, is said to have been organized to promote the broadcasting interests of Scripps-Howard.

The newspaper organization has already filed an application for the acquisition of its first station, WFBE, at Cincinnati, and for two new 100-watt stations at Columbus and Toledo. Where the Scripps-Howard people find it impossible to acquire a station, it will apparently be their policy to affiliate with a station already established as the New York World-Telegram is understood to have done with Station WMCA in New York City.

This is the first move on the part of the Scripps-Howard papers to ally themselves with radio though as a general thing, their news columns have been friendly and carried radio programs and comments.

X X X X X X X X

GERMAN RADIO SHOW ATTENDED BY 480,000

The 12th Annual Radio-Exhibition which was held in Berlin during the second half of August greatly exceeded the success of its predecessors. During the 13 days which the Exhibition lasted, 480,000 visitors wandered through the 8 halls, which contained it, - nearly five times the number in 1932. This success was in no wise impaired by the fire which destroyed one of the halls, as the exhibitors who were involved had erected other standw within a few hours. The most modern reception apparatus was shown and many novelties, too, in the domain of short-wave reception, a matter of special interest to oversea listeners; while television occupied the centre of interest.

In a television "alley", transmitting and reception sets could be seen; one could see in picture one's opposite number during a telephone conversation; and could both hear and see Dr. Goebbels, the patron of the Exhibition, during his tour of inspection and opening address, which had taken place a few minutes earlier. But in particular has the Exhibition strengthened and widened the relation between broadcasting station and listener. The idea offered to every visitor the opportunity of personally stepping before the microphone and exhibiting his powers as musician, singer or speaker. Thousands availed themselves of it, and in this way much new talent from amongst the public has been gained for the radio.

X X X X X X X

FUTURE OF EDUCATION BY RADIO COMMITTEE IN DOUBT

With the ending of the five-year grant of $200,000 of the Payne Fund, December 31st, the continuance of the National Committee on Education by Radio, from which Joy Elmer Morgan recently resigned as Chairman, seems to be a matter of conjecture. Dr. Tracy F. Tyler, Secretary of the Committee, said that while he had no official information on the subject, he believed the work would go on. Dr. Tyler said that although the money was paid by the Payne Fund, he had no idea as to who the actual donor was, or whether or not there would be a renewal.

This Committee has been more or less of a thorn in the side of the radio industry because of its bitter criticism of the American system of broadcasting. Therefore, the resignation of Dr. Morgan, the significance of which is not know at this time, if any, was hailed with more or less of a sigh of relief from the broadcasters.

Dr. Morgan is succeeded on the Committee by Dr. Willis A. Sutton, Superintendent of Schools, Atlanta, Ga., and past President of the National Education Association.

X X X X X X X X

MINNEAPOLIS TELEVISION COMPANY MODIFIES CLAIMS

Under a stipulation entered into by Northwestern Television Institute, Inc., of Minneapolis, with the Federal Trade Commission, that company agrees to discontinue exaggerated and misleading representations in its advertising.

The respondent agrees to no longer assert that openings or opportunities for profitable employment in the television industry are greater than the time such representations are published, and that enrollment in its classes will solve the employment problems or brighten the outlook of prospective students.

Other representations to be discontinued in connection with the sale of its course are as follows: That television is a field that is not crowded; that the instruction given by respondent is entirely individual; that television is a gigantic industry, and that television will offer employment to students who complete the respondent's course of training.

X X X X X X X

INDUSTRY TO COOPERATE IN NEW RADIO CENSUS

In preparation for the U.S. biennial census of manufactures in 1935, officers of the Census Bureau and the Radio Manufacturers' Association are cooperating to develop more detailed statistics on the radio industry and its operations. New census forms for the reports of individual radio companies are being prepared to develop details of radio manufacturing operations. The classifications of products, especially of receiving sets, are being extended to cover late changes in styles and types of modern sets, including those having various frequencies beyond the standard broadcast band.

Reports on the manufacture of the new metal tubes as well as glass types also are being arranged, and the new manufactures census is expected to compile the best radio industry data which has yet been developed.

X X X X X X X X

BRITISH SCHOOL BROADCASTING DEVELOPS RAPIDLY

The Annual Program of Broadcasts to Schools in Great Britian by the British Broadcasting Company for theyear 1935-36 has recently been issued. The facts and figures contained in this pamphlet and the projected expansion of the School Broadcasting Department indicate that the work of the Central Council for School Broadcasting is developing rapidly. The functions of broadcasting in the various school subjects are clearly stated in the pamphlet. Figures are given which show that the programs are followed regularly by a large number of schools. During the past eleven years, the broadcast program has confined itself to supplementing school work in some of the ordinary school subjects. Now that it is securely established, with twenty-two broadcasts a week, the program is to explore the world of knowledge outside the curriculum.

For rural schools, particularly, broadcasting serves "as a connecting channel with the main stream of the nation's life". The preface of this pamphlet, signed by Lord Eustace Percy, who was Chairman of the Central Council for School Broadcasting until his recent appointment as Minister without Portfolio, draws attention to the National ceremonies which have been heard during the year by school children all over the country. The village schools, however, are finding it very much more difficult to instal receiving sets than schools in the towns. Technical difficulties are greater in the country, since, in many cases, the sets must be battery-operated, but the real trouble seems to be the difficulty of raising sufficient money.

X X X X X X X X X X X

INDUSTRY NOTES

Alfred J. McCosker, President of WOR, returned to New York last Thursday on a French liner "Lafayette" after a month's vacation in Europe.

While in London, Mr. McCosker visited Sir John Reith, Managing Director of the British Broadcasting Corporation, and in Paris he called on several French broadcasting officials.

Station WOOD, Grand Rapids, Mich., combining stations WOOD and WASH, will be added to National Broadcasting Co. networks as an optional station available to either the NBC-WEAF or NBC-WJZ hookups beginning on September 29.

WOOD is operated, together with its sister station, by the Kunsky-Trendle Broadcasting Corp. on 1270 kc. with 500 watts power. The Kunsky-Trendle Broadcasting Corp. are also owners of WXYZ, Detroit, which becomes affiliated with the NBC-WJZ network on the same day.

Arthur C. Broecker, for the past 12 years local display manager of the Indianapolis Star, has been named Sales Manager of radio station WIRE, Indianapolis. Before joining WIRE, Mr. Boecker had been with the Indianapolis Star in its advertising department for 15 years.

William B. Gellatly joined the WOR local sales staff last week. Before going with WOR, Gellatly was a member of the Columbia Broadcasting System sales force, and has been an advertising sales representative for the New York American, the Herald-Examiner, of Chicago, and the New York Herald-Tribune.

Joseph F. McMahon, composer in New York City, was in Yorkville Court as complainant accusing the Columbia Broadcasting System of violating the penal law which makes the preducing of copyrighted material without the consent of the owner a mismidemeanor.

McMahon based his complaint on the broadcasting of "Sabina Lane", a play, by Station WABC. The play, he said, was similar in every respect to "Junora", which McMahon copyrighted in 1929.

Sidney M. Kaye, attorney for the broadcasting company, argued that the action should have been brought in Federal Court, but the Magistrate ordered the defendendts held for a hearing in a magistrate court and special sessions October 5.

John Meyer, Secretary of the Inland Daily Press Association states that a survey of small-town papers shows that members are using the blue pencil more vigorously on program listings. About 64 per cent are deleting the names of orchestras and 62 per cent are killing the names of celebrities.

The New England Daily Press Association is also polling its members on their action to "newscasting." A summary to date discloses 20 papers against and 8 in favor of the practice.

The strained relations between WHAM, Rochester, and the Gannett Newspapers have been healed by a tieup with the Democrat & Chronicle by giving the station a one column ad a day in exchange for 12 fifteen-minute periods a week on the air.

Nelson Perry, for 11 years Advertising Manager of Liberty Magazine has joined the WOR New York Sales Department. Before becoming affiliated with Liberty, Perry was New York State Advertising Manager of the Saturday Evening Post.

X X X X X X X X X X

PROSPECTS FOR RADIO SALES IN CUBA CONSIDERED GOOD

Radio sales in Cuba during July and August of this year have shown the usual seasonal decline although they have been better maintained than in previous years and the prospects for increased sales in the immediate future is considered good, according to a report to the Department of Commerce from Assistant Trade Commissioner Kathleen Molewsorth, Habana.

Imports of radio apparatus through the Port of Habana during July totalled 1,185 units compared with 1,535 units in June and 1,792 units in July, 1934, statistics show.

Adequate stocks in some models and a tendency to clear out present types in anticipation of new Fall models in other lines are considered locally to be responsible for the decrease in imports, the report states.

X X X X X X X X

FHA NOT TO FINANCE LOANS ON RECEIVING SETS

The National Housing Act does not authorize financing of radio sets, except built-in radio, according to a ruling received by Bond P. Geddes, Executive Vice-President of the Radio Manufacturers' Association. Loans on receiving sets, classed as "movables" by the Federal Housing Administration, would be in jeopardy and their payment by the Treasury uncertain, according to the information from the Federal Housing Administration. The Housing Commission, therefore, adheres to its previous ruling that receiving sets, except built-in radio, are ineligible for FHA financing privileges.

The adverse decision of the Commission on financing of receiving sets was made in response to a request by RMA for extension of the FHA financing privileges to receiving sets of the more expensive type, costing $75 or more.

X X X X X X X X

CROSLEY TO INCREASE CAPACITY TO 5,000 DAILY UNITS

Carl A. Saunders writes in the Cincinnati Post that the Crosley Radio Corporation has increased production 100% bringing it up to 5,000 radios a day.

"Of course most sets will be all-wave", Mr. Saunders goes on. "Current interest in short-wave reception will be heightened if the foreign situation continues to be as critical as it is now. Our Cincinnati producer, Crosley Radio Corp. is offering a new antenna designed to reduce signal losses to a minimum. Also, it is said, the new sets are presenting exceptional values in cabinet appearance and structure, in chassis refinements and numerous other modern features. Also it should be said that anyone who may be delaying buying of a radio with the thought that television may make it obsolete soon, should not worry on that score. We are informed by engineers that television will not appear even in infant stage for at least two more years and then only in expensive sets.

"Incidentally reports received from district managers, distributors and dealers, as well as trade paper writers, reveal that those connected with the radio industry, whether in manufacturing or distribution, anticipate the best business in years. Lewis M. Crosley, Vice-President and General Manager of the Crosley Radio Corp., informs us. Production increases of different manufacturers range from 60 to 100 per cent. Crosley has increased radio production capacity about 100 per cent, bringing it to 5,000 radios a day. The busy season, however, will not get under way until the latter part of September, continuing until the end of the year."

X X X X X X X X

NO SUCCESSOR YET TO FILL FINCH'S PLACE

No one has been decided upon to succeed William G. H. Finch, Assistant Chief Engineer of the Federal Communications Commission, who resigned recently. Dr. C. B. Jolliffe, Chief Engineer of the Commission, said that while a number of names had been proposed, no decision had been reached and very likely would not be for some time. Dr. Jolliffe added, however, that eventually the place would be filled. In the meantime, he himself is carrying on the work of Mr. Finch, the principal part of which was directing the engineering phases of the $750,000 investigation of the American Telephone & Telegraph Company.

No confirmation could be obtained of the report that the reason Mr. Finch had resigned was because he had a suit pending against the A. T. & T. for an infringement on some of his patents. Mr. Finch is the inventor of a device for automatically printing wire and radio messages.

According to information secured at the Federal Communications Commission, the reason Mr. Finch left the organization was to develop his patents and to open laboratories in New York to be known as the Telecommunications Laboratories to engage in experimental investigations in the automatic record communications field. He will specialize in press, aeronautical and police communications work.

Mr. Finch, who previously had been Vice-President and Chief Engineer of Hearst Radio, Inc., the broadcasting and press communication subsidiary of the Hearst newspapers, had been with the Commission about a year.

Chairman Prall, on behalf of the Commission, paid Mr. Finch a high tribute in the following letter accepting his resignation:

"The Commission accepts your resignation as Assistant Chief Engineer effective September 15th.

"On behalf of the Commission I want you to know that your resignation is accepted with great reluctance and with much regret. However, we are cognizant of the circumstances which have impelled you to tender your resignation, and we do not feel that we have the right to ask you to make the necessary sacrifices any further. Your services with the Commission have been most valuable, and you take with you the affection of the Commissioners individually and their best wishes for your future happiness and success.

"For several months you have been actively engaged in the investigation under Public Resolution No. 8, particularly the patent features thereof. The Commission appreciates your offer of your services without compensation for consultation in the further progress of this investigation."

X X X X X X X

LEGAL BATTLE OVER NEWS BROADCAST RIGHTS BEGINS

Arguments in the case of the Associated Press against Station KVOS, of Bellingham, Wash., were made in the Circuit Court of Appeals at Seattle, last Saturday. The case involves the right to broadcast news obtained from member newspapers of the Associated Press and was first tried before Judge John C. Bowen, in Bellingham, several months ago.

At that time Judge Bowen returned a decision favoring the radio station. At the hearing last week, both sides were represented by eminent counsel. John W. Davis, of New York, represented the Associated Press, and former Senator Clarence C. Dill, of Washington, Station KVOS. Members of the National Association of Broadcasters contributed to the cost of the Bellingham station retaining counsel because of the national aspects of the case.

X X X X X X X X X X

NEW YORK MAYOR TALKS ABOUT 100,000 WATTS

At a luncheon in New York, given to the Chicago firemen's baseball team, Quinn O'Brien, Corporation Counsel of Chicago, and spokesman for Mayor Edward J. Kelly of that city, in paying tribute to Mayor LaGuardia, "wished him more power".

The mayor of New York laughed, as he rose to reply, and said, "The only power I am asking for is 100,000 watts."

This remark was taken to refer to the Municipal broadcasting station in New York, WNYC. It revived rumors that Mayor LaGuardia has in the back of his mind some idea of developing this station instead of scrapping it as he apparently intended to do when he first became mayor.

If it is true that he expects to seek anything like half the power mentioned in his speech, say, 50,000 watts, it would be necessary to find a clear channel for the municipal station which would be a very difficult thing to do. It now shares the 810 kilocycle frequency with Station WCCO, at Minneapolis. Recently an application was received from the City of New York to increase the daytime power of WNYC from 1,000 to 5,000 watts, but after sundown to resume its ordinary power.

X X X X X X X X

WOR WITHDRAWS RELAY BROADCASTING APPLICATION

The Bamberger Broadcasting Service, of Newark, N.J., has withdrawn its application for a construction permit to conduct experimental relay broadcasting. The reason given was that investigation and preparation of the matter had disclosed a tremendous amount of additional work necessary, which had not been completed.

X X X X X X X X X X

CHAIRMAN OF BBC DIES - VISCOUNT BRIDGEMAN

An announcement has been received in this country of the death of Viscount Bridgeman of Leigh, Chairman of the British Broadcasting Corporation, which took place recently in England.

Lord Bridgeman's appointment as Chairman of the BBC in succession to the late J. H. Whitley, was the last stage in a long career of public service. Born on the 31st of December, 1864, he was the son of the rector of Weston-under-Lizard.

Educated at Eton and at Trinity College, Cambridge, he began political life as private secretary to Lord Knutsford, then Colonial Secretary. At 28 he was fighting the 1892 election as Unionist candidate for North Worcestershire, and three years later contested Mid-Derbyshire. From 1915 to 1916 he was a Lord Commissioner of the Treasury and acted also as assistant director of the War Trade Department(1916) and as Parliamentary Secretary, first of the Ministry of Labour and then from 1919 to 1920, to the Board of Trade.

In the political movements which marked the end of the Lloyd George coalition Ministry, he played a notable part. He was the first secretary of the new Department of Mines under the Board of Trade. This office was created in 1920 during a period of great industrial unrest and did good service in the coal troubles of that year. Lord Bridgeman held it until the fall of the Coalition in October 1922. In the new government he was raised to the Cabinet as Home Secretary and remained there when the Ministry was re-formed by Mr. Baldwin after the death of Mr. Bonar Law. In the second Baldwin Cabinet he was First Lord of the Admiralty, and remained in that office until the defeat of the Government in 1929.

In 1929 he was raised to the peerage as first Viscount Bridgeman of Leigh and, cheerfully yielding place to the claims of younger men, dropped from the front rank of the political fight. In the Upper House he took a lesser part than he had done in the Commons, but when he did speak he was heard with that attention and respect that is granted to one who is recognized to belong to the elder statesmen. In 1932 he was Chairman of the Committee of Enquiry on the Post Office and a year later became one of the Governors of the British Broadcasting Corp.

X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL—Not for Publication

INDEX TO ISSUE OF SEPTEMBER 20, 1935.

No. 861

OTTAWA STATION STARTS BBC REBROADCASTS

Canadian radio listeners are getting their first taste of rebroadcasts of British Broadcasting Company short-wave programs directly from their own capital, Ottawa.

Experimental broadcasts are attempted for a half-hour each week-day, beginning at 6 P.M., EST. These are relayed to the eastern Canadian network for rebroadcasting. If the tests prove successful, the overseas programs will be extended to the western stations of the Canadian system.

The powerful short-wave receiving station near Ottawa was constructed this Summer after months of experimenting by the Canadian Radio Commission. Its chief advantages are that it will provide, if successful, daily rebroadcasts of BBC short-wave programs without the heavy expense of transatlantic radio telephone service.

Almost as easily as a listener twists his dial, operators of the Ottawa station will be able to pick up programs of short-wave stations in England, France, Germany, and other countries on what is known as the great circle line.

The only obstacle in the way of immediate success of the experiment is the uncertain quantity which has plagued radio since its earliest days - atmospheric conditions.

E. C. Buchanan, Director of Public Relations of the Canadian Radio Commission, reports that at present "The atmospheric conditions are very bad". However, the Canadian broadcasters are resourceful. When direct reception proves bad, according to Buchanan, blatterphones, or recordings, of earlier pickups are used; so that the Canadian listener is never entirely disappointed.

As a matter of fact the blatterphone recordings are more convenient for Canadian listeners because of the difference in time between England and Canada. The Ottawa station will try to transmit the BBC programs directly to Canadian listeners, however, as far as practicable.

When the service is extended to the western network, the Canadian short-wave stations, CJRO and CJRX, at Winnipeg, will be able to rebroadcast the over-seas programs.

Up to this time the Canadian Radio Commission was able to pick up British programs for rebroadcasting over its own network only through the Anglo-Canadian telephone system, which got the broadcasts at its station at Yamachiche, near Three Rivers,

Quebec, and relayed them to CRCM, Montreal. This was a costly and complicated method.

Although the Commission is not contemplating such a move at present, it is reported from Ottawa that in time a short-wave broadcasting station may be built in Canada for the purpose of transmitting Canadian programs to the BBC, thus providing a two-way communication.

The Ottawa short-wave receiver occupies a 20-acre site ten miles west of Ottawa on the Richmond road. All the latest developments in radio engineering are incorporated in the station. Two aerials, a thousand feet apart, control the fluctuating volume of sound which short-wave fans find so annoying in ordinary short-wave receiving sets.

The fluctuating volume in short-wave reception is caused by the radio waves skipping several wavelengths at regular intervals. The secret is that the waves don't jump more than ten wavelengths, and a thousand feet equalling ten wavelengths, what one aerial misses, the next aerial, a fifth of a mile away in direct line, picks up. Thus, steady volume is obtained.

It is estimated that 90 per cent of the man made interference in ordinary radio sets is picked up by the lead-in wires from the aerial.

The lead-in system in the Radio Commission's new short-wave receiving set eliminates all this type of interference. Inch copper tubing with another tube one-quarter of an inch in diameter running through but not touching the outer casing constitutes the lead-in. Little triangular supports placed at short intervals around the inner tube prevent it from touching the outer tube.

The unique feature of this important part of the apparatus is that the tubes are hermetically sealed, and are filled with nitrogen gas under a pressure of 100 pounds. This is to keep out moisture and maintain the insulation between the inner and outer tube. The pressure is tested regularly.

The lead-in tubes are connected directly with the aerial wires at the tops of the masts, cover the distance between masts and station building under five feet of earth, and enter the building through the basement wall.

This lead-in system is one of the most important parts of the whole apparatus, for it is responsible for elimination of noise in the receiver.

Next comes the receiving apparatus itself. It consists really of two complete receiving units, one for each aerial, with a combiner unit between them. The system is a development of the Canadian Marconi Company. It is known as diversity reception, and marks the latest development in commercial short-wave reception.

In the operating room is the large three-panel control board, covered with important looking dials, switches and buttons. Two of the dials on the combiner unit panel, which is in the center, show which aerial is picking up the sound waves at any particular moment. Another records the combined sound volume.

Also in the control room is a high class ordinary short-wave receiving set. Its main use is to assist in tuning the big receiver. The operator sets the latter receiver on the station he desire, but if atmospheric conditions begin to affect reception, he uses the ordinary set to locate another station which is sending the same program. The big receiver is then tuned in on the new station. By this means, uninterrupted, clear reception is maintained if atmospheric conditions are favorable.

X X X X X X X X

FCC IMPERSONATOR PUNISHED

The Federal Communications Commission reports that one Jerry Stowell, who is alleged to have posed as a Special Radio Inspector of the FCC on the Pacific Coast has been arrested, tried , and punished.

After being indicted by the Federal grand jury, he entered a plea of guilty and was sentenced to ten months in jail. The sentence was suspended for five years on condition that he repay $15 obtained fraudulently from Charles Bartell.

X X X X X X X X X

PUBLICATIONS ARE PROFITABLE BBC SIDELINE

In 1934 the income of the British Broadcasting Corporation from license fees which cost 10 shillings each was £1,710,286 and from publications after providing for bad and doubtful debts, £347,707. The net revenue for the year was £220,490. It is thus apparent hos vitally important to the Corporation is the revenue accruing from advertising in its three journals, the "Radio Times", "World Radio" and "The Listener".

Of these, the "Radio Times" is by far the most important. It is the official program paper of the B.B.C. The guaranteed average net sale for 1935 is 2,400,000 copies per week. The actual average net sales figure for the first 6 months of 1935 was 2,497,757. This exceeds the circulation of any daily paper published in Great Britain and is second only to the Sunday "News of the World" for a weekly paper. The price is 2 pence.

X X X X X X X X X

LABOR FEDERATION URGES GOVERNMENT RADIO

The following resolution was adopted by the Massachusetts Federation of Labor at its Fiftieth Annual Convention at Springfield, Mass.:

"Whereas, The National Broadcasting Company and the Columbia Broadcasting System, which two networks dominate the radio-broadcasting field, organized company unions and denied to their workers the right to organize and to bargain collectively; and

"Whereas, While the government itself is denied the right or the power of censorship, the Radio Trust exercises the power of censorship, in that nothing is permitted to be broadcast unless OK'd by those in control of the various radio broadcasting stations; and

"Whereas, As a result of the diversion of advertising from newspapers and magazines to radio, not less than 40,000 printing trades workers are deprived of the opportunities of employment at their trade; and

"Whereas, Such conditions are detrimental to the best interests of the members of all trade unions: Therefore be it

"Resolved, That we, the Massachusetts State Branch, American Federation of Labor, in annual convention assembled, petition the Congress of the United States to enact legislation whereby the government itself will exclusively control and operate all radio broadcasting stations and that advertising on the radio be restricted to not more than two hours of each day; and be it further

"Resolved, That our officers be instructed to send a copy of this resolution to Senators Walsh and Coolidge and to each of the Congressmen from this State, and that copies of this resolution be sent to each State Federation of Labor that they may do likewose."

X X X X X X X X X X

POLICE STATIONS LISTED

An up-to-date list of some 300 municipal police radio stations operating in the United States has been compiled by the Federal Communications Commission. The list gives call letters, cities, transmitter locations, frequencies, and power.

Copies may be obtained by writing to the Federal Communications Commission, Washington, D. C.

X X X X X X X X

REPORTS WANTED ON U. S. MODULATED FREQUENCIES

Beginning October 1st the Bureau of Standards will broadcast standard frequency signals three days each week from WWV, Beltsville, Md., near Washington, D. C.

"These radio emissions provide a standard for scientific or other measurements requiring an accurate radio or audio frequency or time rate, and are useful to radio transmitting stations for adjusting their transmitters to exact frequency, and to the public generally for calibrating frequency standards", Dr. J. H. Dellinger in charge of the Radio Research Laboratories explained.

"As the modulated emissions are somewhat experimental, it is particularly desired that users report to the Bureau their experience in using them, including: description of method of use; statement of relative fading and intensity, on the three carrier frequencies; and preference as to audio frequency to be furnished.

"On each Tuesday and Friday the emissions are continuous unmodulated waves (CW); and on each Wednesday they are modulated by an audio frequency. The audio frequency is in general 1000 cycles per second.

"On all emissions three radio carrier frequencies are transmitted as follows: noon to 1 P.M., Eastern Standard Time, 15,000 kc/s (kilocycles per second); 1:15 to 2:15 P.M., 10,000 kc/s; 2:30 to 3:30 P.M., 5000 kc/s.

"The emissions on 5000 kc/s are particularly useful at distances within a few hundred miles from Washington, those on 10,000 kc/s are useful for the rest of the United States, and those on 15,000 kc/s are useful in the western half of the United States and to some extent in other parts of the world.

"The modulated emissions, except during the voice announcements at the beginning of the hour, consist of an uninterrupted audio frequency superposed on the carrier frequency. The radiated power is only one kilowatt; reception is therefore not as reliable as for the CW emissions of Tuesdays and Fridays; it is hoped to increase the power later. The modulated emissions are somewhat experimental, and for this reason an audio frequency other than 1000 cycles per second may be used on some occasions.

"The accuracy of the frequencies as sent out from the transmitting station is at all times better than a part in five million. Transmission effects in the medium sometimes result in slight fluctuations in the frequency as received at a particular place. However, these practically never impair the reception of the carrier frequency to the accuracy stated. Under some conditions, momentary fluctuations as great as 1 cycle per second may occur in the modulation frequency. It is generally

possible, however, to use the modulation frequency with an accuracy better than a part in a million by selecting that one of the three carrier frequencies which has the least fading. It is helpful to use automatic volume control on the audio frequency."

X X X X X X X X X X

N. Y. RADIO SHOW REVEALS SALES BOOM

As another sign of business recovery, radio receiving set makers attending the 1935 National Electrical and Radio Exposition in the Grand Central Palace, New York City, reported they are behind on deliveries to dealers because of a large public demand for new models.

The show, which opened September 18, comprised 95 exhibitions of new equipment in the radio and electrical fields. Some 6,000 paid admissions were recorded the opening day.

All-metal and glass tubes were features of the new receiving sets. A decided trend away from the small sets was noted. The all-wave receivers set the style for large, easy-to-read dials, called "airplane dials". Many of the sets were equipped with colored lighting effects to indicate the band to which the set is adjusted.

X X X X X X X X X X

WSAR POWER INCREASE RECOMMENDED

An increase in power from 250 watts to 1 KW for WSAR, Fall River, Mass., was recommended to the Federal Communications this week by Examiner Melvin H. Dalberg.

In recommending the increase, Examiner Dalberg said: "There appears to be some public demand for this increased power from various towns and rural districts adjacent to the city of Fall River, not only upon the part of listeners but also from advertisers who desire to broadcast through the facilities of the station over a larger area than that which is locally served."

The extra power will cause no serious interference with other stations, Dalberg said. WSAR has no chain affiliation.

X X X X X X X X

FIGHT OPENS IN "NEWS PIRACY" APPEAL

As broadcasting of news bulletins becomes an increasingly important feature of the day's radio programs, broadcasters and newspaper publishers are watching with interest developments in the so-called "news piracy" case of the Associated Press vs. KVOS, Inc., Bellingham, Wash., before the U.S. Circuit Court of Appeals at Seattle.

Both sides have chosen eminent counsel, realizing the significance of the test case as a possible precedent for future news broadcasting policies. Former Senator Clarence C. Dill, who was the leading authority on radio problems in the Senate for several years, appears for KVOS, while John W. Davis, former presidential candidate, is counsel for the Associated Press.

At a hearing on September 13, Senator Dill set forth his arguments, but Davis was absent. Joseph Kindall, of Bellingham, spoke briefly for the A.P., but the court allowed three weeks additional time for the news service to file a new brief.

The case came up from a ruling of Federal Judge John C. Bowen at Seattle on December 18, 1934, denying an injunction sought by the Associated Press against the station to prevent it from broadcasting news that appeared in the Bellingham Herald and Seattle papers.

After explaining that KVOS hired its own local reporters and obtained its wire news from the Radio News Association of New York City, Senator Dill based his argument on four major points:

(1) The Bellingham Publishing Company and not the Associated Press should have brought the suit; (2) there was no unfair competition; (3) the A.P. suffered no injury to property rights; and (4) public interest justifies the court in refusing the injunction requested.

Scattered through the exposition on these points were some startling statements, such as:

"There is so little real competition between the radio station and the newspapers in disseminating news in this case, that it cannot be considered as actual competition. . . KVOS used only 1½ hours out of a total of 16 for broadcasting news. . . A newspaper uses the entire 100 per cent of its space, not devoted to advertising, for news features and comments on the news."

"There is a lack of competition between the radio station and the newspaper in the dissemination of news due to the fact that that radio station gives away the news to all who will tune in and listen and the newspaper sells the news."

Senator Dill also pointed out that radio news broadcasts last but a fraction of a second, whereas the news in a newspaper is printed and, therefore, permanent.

"News broadcasts gave birth to radio as we know it in this country", he said. "When a Westinghouse experimental station in Pittsburgh on election night in 1920, broadcast election returns - radio was born. . .

"The free radio is the feature that characterizes the American system of radio and differentiates it from all other radio systems on earth."

Concluding, Senator Dill said:

"A President might die, a nation might fall, a world become embroiled in war, but under the rules asked by appellant all citizens must depend upon the newspaper for that information for a period of 24 hours. Why change the law as it now stands, namely that news is private property while kept private, but public property after being made public?"

X X X X X X X X X X

WDRC GIVEN POWER INCREASE

An additional potential audience of 129,000 will be added to the 618,000 now available to WDRC, Hartford, Conn., by an increase in daytime power from 2,500 to 5,000 watts on 1330 kc., unlimited time, authorized September 17 by the Federal Communications Commission. Night power will continue at 1 KW.

The FCC found that there is need for the additional service in the Hartford area, WTIC, the 50,000-watt Hartford station, being the only other station rendering consistent service to the territory. WDRC, the FCC report pointed out, is the only station in that area carrying CBS programs.

The power increase was granted on condition that the station antenna is erected to a height of 215 feet and that it delivers an unattentuated field intensity at one mile of 175 mv/m for 1 KW.

X X X X X X X X X X

INSURANCE POLICY FOR ADVERTISERS

A novel manner of calling attention to the advertising possibilities of WMAQ, Chicago, has been devised by Niles Trammell, Vice-President in Charge of the National Broadcasting Company in that city.

After sending out a card of warning that an insurance premium was nearly due, he mailed out what appeared to be an insurance policy labelled "WMAQ Broadcast Advertising Insurance", with the policy numbered and made out to whomever it was addressed.

Among other things the policy insured "better reception, better coverage, and larger audience. The "premium of the 50,000 watt policy is same as 5,000 watt policy", it added, with "dividends accumulative in increased sales returns."

X X X X X X X X X

PHILCO ADVERTISES ITS TUBE POLICY

Taking a full-page advertisement in the New York Times, the Philco Radio & Television Corporation, taking a rap at metal tubes, advises readers to "be from Missouri" when they buy radio sets.

"Ten years ago, in the early days of radio, there may have been some excuse for the radio industry to conduct experiments outside the laboratory . . . for asking the public to assume the expense of testing new radios, new tubes and new circuits", the advertisement states.

"Today there is no excuse for the radio industry to experiment on the public, and at the public's expense. Philco, with its great research and engineering laboratories, like those of the great car manufacturers, is definitely committed to lifting the load from the public."

"Philco does not use metal tubes because:

"1. In metal tubes, bulb size is reduced. With the same amount of heat to dissipate, the smaller metal tubes operate at a higher temperature.

"2. This higher temperature tends to shorten tube life. It also changes the characteristics of nearby coils, resistors, etc., which impairs the delicate balance of all the various parts. . . a balance that is essential for fine performance.

"3. Many highly desirable multiple function tubes...now in general use...are not available in metal.

"4. More metal tubes than glass are required. Metal tubes are high in price. Metal tube sets cost more money and deliver less performance. And the replacement cost of a set of metal tubes is approximately double that of glass.

"5. The inability to see inside a metal tube is a real disadvantage. The transparency of glass often allows the user, the service man and the factory inspector to determine when a tube is not functioning.

"6. Loss of vacuum is a serious hazard in metal tubes. An air leak at any point . . . and there are over twice as many points to seal in metal tubes . . . stops a radio from working.

"7. At first glance, and until one remembers the proven ruggedness, power, tone, dependability and long life of glass tubes, metal tubes may make a superficial sales appeal. However, Philco never has and never will adopt any innovation merely for 'sales ballyhoo' appeal."

X X X X X X X X X

FCC EXPLAINS PHONE JURISDICTION

The Telephone Division of the Federal Communications Commission on September 18 issued an order explaining the jurisdiction of the FCC under the Communications Act of 1934 over telephone companies engaged in wire telephone communication (Docket No. 2809). Briefly, the order states every wire telephone carrier operating a toll line across a State or national boundary is subject to the Act.

X X X X X X X X X

APPLICATIONS GRANTED BY FCC BROADCAST DIVISION

WIS, Station WIS, Inc., Columbia, S.C., Mod. of CP to extend completion date to Dec. 10, 1935; KGHL, Northwestern Auto Supply Co., Inc., Billings, Mont., extension of special exp. Auth. to operate on 780 kc. from Sept. 28 for 90 days; WCOP, Joseph M. Kirby, Boston, Mass.,license to cover CP for new station to operate on 1120 kc., 500 w., daytime hours; WSPD, Toledo Broadcasting Co., Toledo, Ohio, license to cover CP for increase in daytime power to 2½ KW, and installation of new equipment; 1340 kc., 1 KW night, unlimited time; KFBK, James McClatchy Co., Sacramento, Cal., Mod. of CP approving transmitter site at W. Sacramento Reclamation Dist. #900, Cal., make changes in equipment and extend commencement date to 10 days after grant and completion date to 90 days thereafter; WREC, WREC, Inc., Memphis, Tenn., Mod. of CP extending commencement date to Oct. 12, 1935; KABR, Aberdeen Broadcast Co., Aberdeen, S. Dak., Mod. of license to make changes in antenna, increase hours of operation from daytime to unlimited using 100 watts; WBZ, Boston, Mass., and KDKA, Pittsburgh, Pa. Westinghouse E & M Co., licenses to cover CP authorizing changes in equipment only.

X X X X X X X X

INDUSTRY NOTES

David Sarnoff, President of the Radio Corporation of America, will speak on "Radio and Public Opinion" at the fourth session of the New York Herald-Tribune Forum on Current Problems on the morning of October 16 at the Waldorf Astoria in New York.

George Bijur, Director of Advertising and Sales Promotion of the Columbia Broadcasting System, will conduct an evening course in "Principles of Advertising" at Columbia University this Fall. The course will consist of 20 sessions of lectures and/or field work on Mondays from 7:40 to 9:20 P.M., beginning September 30.

"Bond van Radio Handelaren" (Federation of Radio Dealers) has been formed in Batavia, Java, for the purpose of bringing about a greater uniformity in the sale of radio receiving sets. It has the approval of the Netherland Indian Government.

Sales of radio sets in Peru during the first six months of 1935 are reported greater than in any previous half-year period, according to the Bureau of Foreign and Domestic Commerce. A continued rise in the number of sets in use seems assured in view of the general business outlook.

Sol A. Rosenblatt, former NRA Director of Compliance in charge of the Radio Industry Code, has begun his new job as "czar" of the cloak and suit trade. He is "impartial chairman" of a body of manufacturers, jobbers, contractors, and 41,000 workers.

Charles Crittenden Galbraith, one of the first men to equip steamships with wireless telegraphy and founder of C. C. Galbraith & Sons, manufacturers of lifeboats, life-saving equipment and marine supplies, died at Suffern, N. Y. last Monday at the age of 74 years.

In 1901 he became interested in wireless telegraphy. He was associated with the DeForest Wireless and the United Wireless Companies, and it was due to his efforts that many steamships on the Atlantic and Pacific Oceans and on the Great Lakes were equipped with wireless.

X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL—Not for Publication

INDEX TO ISSUE OF SEPTEMBER 24, 1935.

No. 862

September 24, 1935.

GERMAN AIR MINISTRY ADOPTS TELEVISION

As war clouds gather more ominously over Europe again, the highly significant information leaks out of Berlin that the German Air Ministry has taken over all television experimentation and developments. The information, which was withheld from the German press by the Propaganda Minister, was transmitted to the United States Bureau of Foreign and Domestic Commerce by Roland Welch, Assistant Trade Commissioner stationed in Berlin.

Television in Germany heretofore has been under the direction of the Reichsrundfunk-Gesellschaft (the government-owned broadcasting system) in conjunction with the Post Office Department.

The transfer, according to the Berlin report, will bring about a complete about-face in the experiments in visual broadcasting. Instead of being developed for public entertainment, television in the Reich will unquestionably be adapted to modern military maneuvers in preparation for the next European war.

"Although no comments by government officials have been forthcoming", Mr. Welch reported, "it is believed that the development of television in Germany will be greatly affected by this transfer.

"On the one hand, there will probably be no expense spared for experimentation and development of television. Doubtless, the construction of 12 television broadcast stations previously proposed will not be rushed to completion.

"On the other hand, it is naturally supposed that experiments and developments will now move away from their previous course, which was directed to public entertainment, and take up a new orbit directed principally toward the perfection of television for aircraft.

"It is not expected that the development of receiving sets by private concerns will be affected, and Germany still hopes to have thousands of receivers within the homes in a few years. But the transfer of activities to the Air Ministry undoubtedly would not have been accomplished if it were not the purpose of the German government to recognize and utilize television as a very important branch of aviation, particularly military aviation."

X X X X X X X X X

FEDERAL TRADE COMMISSIONER DISCUSSES RADIO ADVERTISING

Advertising in general and broadcast advertising in particular came in for the attention of E. J. Adams, Chairman, Special Board of Investigation of the Federal Trade Commission, in an address before a meeting of broadcasters, advertisers, and agency men in Chicago.

Mr. Adams said:

"There is no value in advertising, unless the reader or listener believes what he is told in the advertisement. Every time he is deceived, his confidence is reduced. Unless truth in advertising copy is demanded by publishers and radio stations, the public will not long respond to advertising appeals, and this source of revenue for publishers and radio stations will come to an end. . . . As publishers rejected advertising copy to sell questionable products, and misleading advertising copy to sell good products, many of such advertisers turned to the radio stations, and offered their copy for broadcast. The radio stations needed the revenue, and most of them were not familiar with the efforts of reputable publishers to keep their advertising columns clean. The result was that much very bad advertising has gone out over the air, and the time has come for the radio industry to clean house. . . .

"If many radio stations expect to survive, they must respect and protect listener confidence. The programs must be clean, and the representations by advertisers must be reliable and truthful. Those stations that permit worthless products to be advertised, or good products misrepresented over the air from their stations, will not long endure, and those stations that protect the public from offensive programs and false advertising will find their facilities in demand by reputable advertisers."

X X X X X X X X X X

MORE POWER URGED FOR TWO INDIANA STATIONS

An increase in daytime power for WLBC, Muncie, Ind., and WTRC, Elkhart, Ind., from 100 to 250 watts was recommended September 18 to the Federal Communications Commission by Examiner Ralph H. Walker.

The stations operating on 1310 kc. also asked for an increase from 50 to 100 watts power at night, when they share time. Examiner Walker recommended denial of this request.

X X X X X X X X X X

CALDWELL'S RADIO TRADE MAGAZINE MAKES APPEARANCE

A timely and comprehensive survey of the radio trade outlook, general business conditions, the broadcasting industry, and news of interest to the whole industry are contained in the first issue of "Radio Today".

O. H. Caldwell, former Radio Commissioner, and long-time radio editor, is editor of the magazine, published by M. Clements inNew York City.

Tersely written and profusely illustrated, the magazine has the appearance of a news periodical on the order of "Time". Among the articles are reviews of the tube situation, the farm market, and what is termed "The War Against Radio" by the press.

X X X X X X X X X

LONDON RADIO SHOW PROVED BIG BUSINESS GETTER

The total turnover of the British radio industry in the year inaugurated by the Olympia show will be nearly £30,000,000. This estimate was given by J. H. Williams, Chairman of the Radio Manufacturers' Association.

He anticipates that in the 12 months, 1,750,000 receivers will be sold, compared with 1,500,000 in the previous "radio year", when (from show to show) the total turnover was approximately £25,000,000.

He thought that the London exhibition indicated a steady expansion of trade. It was another sign that the 8,000,000 peak in receiving licenses would be reached.

Inquiries among tube manufacturers revealed the expectation that 10,000,000 tubes would be sold in the year - about 7,000,000 in new sets and the remainder in replacements.

Satisfactory expansion of overseas trade was reported by many firms. There are growing markets, particularly for all-wave sets, in India, Africa and the Empire generally. British sets, despite export difficulties and foreign competition, are finding their way into many countries. Among the chief foreign buyers are Norway, Sweden and Belgium, though business has been done with a score of others.

X X X X X X X X

SCRIPPS-HOWARD DENIES NATIONAL CHAIN PLAN

The Scripps-Howard Newspapers chain has no immediate plan of establishing a radio broadcasting station in each of the 24 cities where it now operates a paper, according to statements of officials, despite published reports to the contrary.

The Federal Communications Commission, reversing itself today (September 24) approved the sale of WFBE, Cincinnati, to the Scripps-Howard Newspapers (Continental Radio Co.). The application for transfer had been set for hearing.

James C. Hanrahan, who filed the application, told Editor & Publisher:

"We have no plans, intentions, or hopes of operating 24 stations - one for each newspaper - as reported."

Karl A. Bickel, who heads the Continental Radio Company, the Scripps-Howard radio subsidiary, was quoted as follows:

"Scripps-Howard's purchase of WCPO most emphatically does not mean that Scripps-Howard is planning any extensive investment in the broadcasting industry", he said. "It does not mean that Scripps-Howard is considering a station in each of the 24 Scripps-Howard cities. It does not mean that Scripps-Howard is planning a transcontinental radio chain system of its own.

"It does mean that we feel that there are possibilities in radio for the development of a closer and more intimate contract between the readers of Scripps-Howard newspapers and the men and women who produce the papers. We feel that we should give these possibilities careful study and hope that we may find ways and means of increasing the effectiveness and value of both of these great instruments for social advancement."

Scripps-Howard plans to construct other stations at Columbus and Toledo next year and to change the call letters of the Cincinnati outlet to WCPO.

X X X X X X X X

BELLOWS TO HAVE RADIO INDUSTRY ARTICLE IN HARPER'S

Henry A. Bellows, formerly Vice-President of the Columbia Broadcasting System, will have an article dealing with the radio industry in the November issue of Harper's Magazine.

X X X X X X X X X X

AMATEURS PUT BOWES IN MILLION DOLLAR CLASS

Major Edward Bowes is the new No. 1 money man of show business with a current weekly income that, if maintained, will place him in the $1,000,000-a-year class, according to Variety, which continues:

"About 98% of the total comes through his amateur shows on the radio, screen (shorts) and in theatres (units).

"Bowes' present estimated weekly income runs in the neighborhood of $19,000. It is derived from four sources, three of which pertain to amateur shows.

"On his commercial (Chase & Sanborn) air program, Bowes draws $5,500 a week. At present there are five Bowes amateur units playing theatres, with more to come, and with the first five already netting him an estimated $12,500 weekly. For 26 screen shorts, in which amateurs are also used, Bowes gets $52,000 at the rate of $2,000 per short, or $1,000 a week on a year's basis. In addition to his amateur show activities, Bowes is still managing director of the Capitol theatre on Broadway, through which he is understood to average about $500 a week."

X X X X X X X X

NO RADIOS IN FOR-HIRE AUTOS IN CEYLON

The little island of Ceylon, off the southern coast of India, is preparing to issue a ban against the reception of radio programs in motor vehicles for hire. The prohibition has been decided upon by the Executive Committee of Local Administration, according to a consular report to the United States Bureau of Foreign and Domestic Commerce. Emergency legislation to place the ban in effect will be introduced in the State Council.

Apparently only taxicabs, private hiring cars and buses are to be affected by the order. Private car owners can do as they please.

The Ceylon authorities, according to the trade report, feel that radio sets in cars "are likely to distract the attention of the driver and to increase the likelihood of accidents."

The only motor cars and buses now equipped with radio sets are those of American or Canadian manufacture.

X X X X X X X X

EXCLUSIVE GRIDIRON BROADCASTS CHALLENGED

As another football season opens, an interesting test case of the right of a State University to sell exclusive football broadcasting rights to a commercial radio sponsor looms in Ohio.

The Scripps-Howard Newspapers, which this afternoon (Tuesday, September 24) received approval from the Federal Communications Commission for the purchase of WFBE (to be renamed WCPO) at Cincinnati, have already raised the issue in challenging the right of Ohio State University to sell the privilege of broadcasting its games to the Ohio Oil Company.

While most of the larger universities appear to be going forward with plans to permit exclusive commercial sponsorship of their gridiron games, Raymond Walters, President of the University of Cincinnati, announced a new policy of "freedom of the air".

All responsible broadcasting companies were informed they might broadcast the University's games this season, the only reservation being that the University should have the right to approve or disapprove sponsorships should the University's name be linked with any unworthy advertising over the air.

A survey made by Editor & Publisher revealed that of 25 schools receiving funds from public sources, 15 have exclusive broadcast arrangements and all but one will allow some or all of their big games to be broadcast.

On the Pacific Coast, the Associated Oil Company is starting its tenth consecutive season, using 24 western stations, of broadcasting all of the important games on the West Coast. Five Los Angeles stations, however, broadcast the local Pacific Coast Conference games as well.

X X X X X X X X

INVESTMENT IN SETS HEAVY

Approximately 90 percent of the total $2,000,000,000 invested in the radio industry is in receiving sets, according to a new survey of the Electrical Household Equipment Industry just completed by the Poor's Publishing Company.

X X X X X X X X

CANADA CONTROLS RADICAL AIR ADDRESSES

With political upheavals almost universally threatened, the Canadian government has taken steps to prevent the use of radio for disseminating revolutionary propaganda.

An amendment to the Canadian Radio Act, adopted late in August and recently distributed, gives the Canadian Radio Broadcasting Commission authority which the Federal Communications Commission of this country lacks.

The amendment reads:

"No broadcasting station may rebroadcast any speech, printed matter or program containing defamatory, libellous, or obscene statements with regard to persons or institutions, or statements of a treasonable character or intended to promote change by unlawful means and which might lead to a breach of the peace, or any advertising matter containing false or deceptive statements."

The amendment was adopted, timely enough, just prior to the national elections, which threaten the present conservative government.

X X X X X X X X X X X X

FCC REVERSES ITSELF

The Federal Communications today reversed itself by approving the sale of Station KGKO, Wichita Falls, Texas, to Amon Carter, Fort Worth, Texas, publisher. The station was authorized to move to Fort Worth. The application had formerly been set for hearing.

Reducing the number of stations whose applications for renewal of license had been set for hearing to three, the FCC renewed the license of KMBC, Kansas City.

X X X X X X X X

TRANSRADIO ADDS THREE MORE PAPERS

The Transradio Press Service has recently announced that the Harrisburg (Pa) Telegraph has signed for full 18-hour-a-day leased teletype service. Station WHP at Harrisburg, which is owned by the Telegraph, will also broadcast Transradio news.

The inauguration of several new dailies in other parts of the country, facilitated largely by the availability of Transradio's service, was also made known. Among these were the San Francisco Morning Post and the Peoples' Voice, of Paterson, N.J.

X X X X X X X X X

PROSPEROUS YEAR FOR BROADCASTERS SEEN

Additional recognition of an increase in revenue to broadcasters came in the current issue of Variety, which forecast a $85,000,000 gross for 1935. The trade resume follows, in part:

"Broadcasters right now are making plans for the merriest Christmas and the happiest New Year they've ever had. All indications point to an $85,000,000 gross for 1935 which means 12 sweet million more than in the highest previous annum.

"For that happy state of affairs, radio can address its orchids to such giants as General Foods, Proctor & Gamble, Standard Brands, Ford, Pepsodent, Campbell Soup, et al. The big boys dug deep into their pockets this year, and hauled out enough dough to enable them to grab off a monopoly of the night time network circuits, thereby albowing the small advertising fry into an overflow reservoir. When that spilled over, the local stations partially sponged it up. The situation means caviar at most every table.

"The National Broadcasting Company reports that the average per sponsor expenditure this year is up $43,000 over last. Average station hours per sponsor zoomed from 437 to 578 on the same web. The Columbia Broadcasting System is calculating its sponsors for $20,000 more apiece than last year, and says there is a marked trend toward coast-to-coast hookups.

"Momentum derived from that situation is now regarded as speedy enough to hold well into next year. The networks (who do nearly 60% of the total radio business) have developed a knack for catering primarily to big advertisers who hold the strings to the richest purses. So long as the webs can keep up that intimacy, radio is practically certain of a reasonably good intake. Success stories about radio are being circulated faster than ever right now and success stories are one of the best ways of making the big-timers write out checks for appropriations.

"Another big boon to radio's future well-being is indirectly supplied by the U. S. Government. Washington is bearing down on the relief handouts and farm subsidies, and that dough, of course, winds up in the big advertisers' cash registers eventually. There's some $4,880,000,000 ready to circulate in relief alone. The hayseeds are getting their share, too, via subsidies for not raising pigs, potatoes, cotton and wheat, and in some cases there are pegged prices on what they do raise. How the plow-jockeys benefit by these tactics is illustrated in a Standard Statistics report that sales of farm implements were up 75% early this year and that the mail-order houses are doing a walloping business.

"As the broadcasters see that situation, it means more money for their pets - the big sponsors - and more radio time from each of them, since none wants his competitors to beat him to the draw."

X X X X X X X X X X

PHILCO PLACES ADDITIONAL MILLION LINES NEWSPAPER ADVERTISING

Confident that the American public desires and has the ability to buy radios which embody the latest developments of science and invention, Philco Radio & Television Corporation has announced a new, nation-wide newspaper campaign.

To dominate the principal trading areas of the United States and Canada, over a million lines of advertising will be used in nine weeks beginning October 1. This is in addition to the space already scheduled for that period.

"We know that business conditions are definitely better, that the public wants the best radio instruments that money can buy, and that radio is becoming more and more indispensable to the entertainment and education of the American family", said Sayre M. Ramsdell, Vice-President in Charge of Advertising and Sales Promotion.

"Our record breaking sales of home and automobile radios during the past eight months, prove that the public buying power is greater and more widespread, and that radio listeners demand high-fiedlity sets to enable them to hear the many high quality programs now on the air", he added.

"The remarkable ability of short-wave sets to bring in foreign stations with surprising regularity and clearness; the advantage of having all the broadcasting services in one radio; and the improved reception obtained with all-wave noise-eliminating aerials have contributed to the popularity of radio.

"Increased sales are anticipated during the Fall months not only in home sets, but also in automobile radios. The greater enjoyment of motoring in radio-equipped automobiles has become so apparent that it is expected public demand will soon establish radio as standard equipment for all leading makes of automobiles."

At the plants where Philco radios are made, over 10,000 workers are now employed at the highest wages in the radio industry, Mr. Ramsdell said.

X X X X X X X X

BETTER PAPERS URGED TO MEET RADIO

Improved newspapers are the answer to radio news competition and other threats facing publishers today, speaking before the Fall conference of Northern California members of the California Newspaper Publishers' Association stressed in the sessions held at Stanford University, Palo Alto, Cal., according to Editor & Publisher.

"While some differences in opinion were noted in the type of improvements, the concensus of speakers addressing the conferences was that the radio newsbroadcasting is here to stay, that this type of news dissemination will improve during the next few years and that the publisher's best attitude is to stick to his own job and turn out a better product", the publishers' trade organ reported.

"The conference obtained particular importance from the recent C.N.P.A. agitation against press association sale of news to broadcasting stations. In addition, the C.N.P.A. has before it a proposal for the admission to membership of free-distributed papers."

A 75 per cent local newspaper was advocated by Ray Judah, co-publisher of the Santa Cruz (Calif.) News, following a lengthy exposition of the radio situation in which he urged publishers to "stick to their knitting."

"I am suggesting and strongly urging upon all secondary daily owners that they begin at once to turn out highly improved local newspapers", Mr. Judah said. "Gentlemen, radio cannot beat you on local news. As a small daily publisher I would start at once investing money in the enlargement of your local reportorial force, in the improvement of your small local as well as your big local, and let this include your country correspondents. Raise their pay."

X X X X X X X X

Station WJR, Detroit, will be welcomed to the CBS network on September 29th in an elaborate program broadcast over a coast-to-coast hookup from 8 to 9 P.M. EST. The broadcast will mark the dedication of WJR's new 50,000-watt transmitter.

X X X X X X X X X

RCA ISSUES PARTS REFERENCE BOOK

A comprehensive 92-page parts catalogue of technical information for the radio serviceman and dealer has just been issued by the RCA Manufacturing Company for selective distribution through wholesale RCA radio and parts distributors.

In it are listed all of the numerous radio replacement parts and specialty apparatus with their electrical and mechanical characteristics and specifications so that the serviceman can get all the information he needs on a part or piece of apparatus at a glance. There are also profuse illustrations, schematic diagrams and technical information on the functions of the various parts in their circuits. Prominent space is devoted to an assortment of recently developed RCA test and measuring apparatus, such as the cathode-ray oscillograph and beat frequency oscillators. Sections of the book deal with such subjects as short-wave and noise reducing antenna systems, public address and sound reenforcement, phonograph modernization, and many others.

A particularly useful feature is the inclusion of an exhaustively cross-indexed chart of all the important replacement parts for the RCA Victor radio receivers and the corresponding models of the General Electric, Graybar and Westinghouse Companies, with stock numbers and prices.

X X X X X X X X

NOTES

J. R. Poppele, Chief Engineer at WOR, Newark, will speak to students of RCA Institutes, Inc., at 2 P.M. September 27, on "Desirable Personal Characteristics of the Broadcast Engineer".

The likely closing of a three-way deal between Esso (Standard Oil of New Jersey), NBC, and U.P., not yet consumated will not affect the use by NBC of Press Radio's regular and flash bulletins as a sustaining program, accoring to an NBC statement to Editor & Publisher.

X X X X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF SEPTEMBER 27, 1935

No. 863

WRVA WOODEN TOWER GREATLY BROADENS SERVICE AREA

The all-wooden tower erected last Spring by WRVA, Richmond, Va., has proved its effectiveness in greatly extending the station's service area even during the Summer months, when broadcasting is usually at its worst.

Field strength measurements made by Paul F. Godley, of Upper Montclair, N. J., have shown an approximate increase in the station's dependable nighttime service of 400 per cent and a jump in daytime service of 300 per cent, according to C. T. Lucy, Manager of Station WRVA.

So encouraged is the management of Larus & Brothers, tobacco manufacturers, over the experiment that it now is evolving plans for even greater coverage and has filed an application with the Federal Communications Commission for a permit to increase its power from 5,000 watts to 50 KW.

The tower is a gigantic tripod, rising 320 feet and constructed entirely of wood. Although wooden radio towers have been in use in Europe for several years, WRVA was the first station in this country to experiment with it.

European radio engineers have contended that wooden towers absorb fewer radio waves than do steel towers and consequently permit the transmission of stronger signals.

"The use of the 'low-velocity' antenna system on WRVA's new 326 foot wooden tower has effected a very material increase in the service area of the station", Mr. Godley stated.

"Since WRVA operates on a cleared channel, most important gain is found in the extension of the primary night-time service. The so-called fading zone of the station has been pushed out to such an extent that dependable night-time service area shows an increase of approximately 400 per cent.

"Although surveys have not been completed, it can be said that the effect upon daytime service is the approximate equivalent of a three fold increase in power in the old WRVA antenna."

Denying a rumor circulated among Washington radio engineers that WRVA's radiated signal takes a material drop in rainy weather, Mr. Lucy said the effect "is exactly the opposite".

"Whereas in our old antenna system using the two steel towers, there was an appreciable drop in our antenna

current during rainy weather because of apparent leakage over the insulators in the base of each tower, we are gratified to note that since we have been using the wood tower there is no change whatsoever in our output during rainy weather", he said.

As testimony in support of the engineering report, Mr. Lucy cited the following excerpts from listener letters:

Binnewater, N. Y. - "I heard your station Wednesday night. It came in better than ever. I am receiving more and better results, and I believe the new tower is bringing those results to me." - W. F.

Bowling Green, Va. - "Since you have gotten the new wooden tower up I can get the programs fine at night; before that time I had some trouble in getting them clear, but now they come in fine without the humming they had in the past." - T.W.V.

Charlottesville, Va. - "As to the reception with the new antenna, it is infinitely better. I didn't think that it could be improved to such an extent. Heretofore we have been unable to obtain clear reception through WRVA after six o'clock in the evening, but now we get it very clearly." - Miss M.E.

The use of wood for a radio tower is made possible by a very simple contrivance called the modern timber connector, developed abroad from an idea conceived in this country several decades ago, according to the National Lumber Manufacturers' Association.

The tripod or triangular idea which makes WRVA's new tower differ so radically from the ordinary square-based or four-legged affair, is American in both its origin and development. A recent invention of a Washington, D.C., engineer, the triangular form was employed for the first time in WRVA's new station, although fourteen Forest Service lookout towers of this type are now being constructed in the Northwest. The triangular feature is valuable in that it reduces resistance to the wind and enhances the economy factor, as it decreases by approximately 25 per cent the amount of lumber needed.

The corners of WRVA's tower are 38½ feet apart at the tops of the foundation piers. From this the structure tapers to a point where, 280 feet above the ground, the corners are but 15 inches apart. The balance of the height is attained by a flag staff which thrusts upward 40 feet from the apex of the tower proper.

X X X X X X X X X

FCC POLICY APPARENTLY APPROVES TRANSFERS

Despite an occasional demand on Capitol Hill that broadcasting frequencies be returned to the Federal Communications Commission when a licensee no longer wishes to use them, the FCC apparently intends to go ahead approving transfers to new owners.

Three such transfers have just been approved by the FCC although there was at first a gesture of scheduling a public hearing and then cancelling it. The FCC itself seems to be divided on the issue.

The transfers most recently approved included the sale of WFBE, Cincinnati, to the Scripps-Howard newspapers, which have organized the Continental Radio Company. The call letters will be changed to WCPO.

The other transfers which got the FCC permit were KGKO, Wichita Falls, Tax., to Amon Carter, Fort Worth publisher, and KFRU, Columbia, Mo., to Luther L. Hill. KGKO is to be moved to Forth Worth.

X X X X X X X X X X

WOMEN'S RADIO GROUP DEFENDS COMMERCIAL BROADCASTING

Although one of radio's severest critics, the Women's National Radio Committee comes to the defense of the commercial broadcasting system in its second issue of Radio Review, a pamphlet released on September 21st.

The Committee makes it clear that it still thinks there is room for improvement in radio advertising, but it has this to say in defense of things as they are:

"Correspondence with members and non-members convinces us that the national audience does not resent radio advertising. It is merely the abuses of the system, caused by poor judgment on the part of advertisers and their agencies, which provoke indignant protests and heap bitter criticisms upon radio."

Conditions would be better, the Committee states, if radio and the press would patch up differences.

"We believe radio may be used most effectively to complement advertising in newspapers and magazines", the Committee contends. "This presupposes a harmonious relationship between radio and the press which at present does not exist, and so we wish to ask both factions at this time, 'Won't you please kiss and make up?'"

The following programs and talent are given approval in the new Radio Review:

"The Wife Saver" (NBC Red); "Saturday Musicale" (CBS but not running now); "Today's Children" (NBC Blue);"Story of Mary Marlin" (CBS); "Vic and Sade" (NBC Red); "America's Hour" (CBS); "Veloz and Yolanda's Orchestra" (WOR and WGN); "A & P Gypsies" (NBC);"Grace Castagnetta" (WEVD); "Lady Esther-Wayne King" (NBC & CBS); "NBC's Music Guild"; "Women in Washington" (WMCA-WIP); "The Eton Boys" (CBS); "Poet's Gold" (CBS); "Fred Waring's Ford Program" (CBS).

X X X X X X X X X

FOUR OCEAN LINERS TO GET FACSIMILE RECEIVERS

After months of experimentation, the facsimile radio transmission of weather maps and newspapers from short to ships has reached a practical enough stage to merit installation of receiving apparatus on four ocean liners.

Charles J. Pannill, President of the Radiomarine Corporation of America, made the announcement this week upon returning from Europe after attending the Seventh Annual Meeting of the International Radiomaritime Committee in Brussels. He did not name the liners.

Tests have been in progress on the United States liner "President Harding", Mr. Pannill said, and the mechanical details of transmission have been developed to a stage where the service is marketable. He predicted that every passenger liner in the future will be equipped with the service.

A map, or one page of a newspaper can be sent to a ship in 25 minutes, Mr. Pannill said, and it is planned to send maps twice daily, showing not only wind directions, hurricane data, the position of icebergs and derelicts, but also the position of as many liners and freighters as possible.

Facsimiles have been radioed across the Atlantic before, sent out from the Riverhead, L.O. station of the company and received at various places on sets which traced graphs and charts with automatic pen-and-ink recorders. Because of the special problem presented by a mobile instrument at sea, development of the short-to-ship service was delayed until Charles J. Young, son of Owen D. Young and a research worker in the corporation's laboratories, developed a carbon recorder which is not affected by ship motion, no matter how severe.

X X X X X X X X X X

CLASH REPORTED BETWEEN MEMBERS OF THE FCC

A reported clash between the Telegraph Division and the Broadcast Division of the Federal Communications Commission has rocked the FCC offices but brought forth neither an affirmation nor a denial of the story. The rift is said to have resulted from a stinging rebuke administered recently by Commissioner Irvin Stewart, Chairman of the Telegraph Division, to his colleagues, Anning S. Prall and Eugene O. Sykes, of the Broadcast Division.

Stewart in an executive session, according to Variety, charged "favoritism, toadying to influential petitioners, and violations of the Division's own rules of procedure."

Minutes reputedly describing the quarrel were refused a Variety reporter by Herbert L. Pettey, Secretary of the FCC.

Stewart's outburst is said to have followed Judge Sykes' recommendation that the Commission decline to reopen the case of WSMB, New Orleans, on the ground that an appeal from the Broadcast Division's rejection of a power boost application came too late.

"The Stewart blast came out of an entirely clear sky and threw the regulatory agency into complete confusion and bewilderment", said Variety. "It looks like a serious incident, which may lead to an explosion with far-reaching political consequences."

The Telegraph Division Chairman protested "against disregard of regulations and the practice of granting applications without hearings or through consideration of the merits of various propositions. He cited the boost in power from 500 watts to 1 KW of KRNT, Des Moines, Ia.

When questioned by newspapermen, Stewart refused to either affirm or deny the story.

X X X X X X X X

THREE POWER INCREASES APPROVED BY EXAMINERS

An increase in daytime power from 1,000 watts to 5 KW was recommended for Station KYA, San Francisco, Cal., by Examiner Melvin H. Dalberg in a report to the Federal Communications Commission September 23.

At the same time Examiner George H. Hill recommended that the FCC reaffirm its grant of 5 KW daytime permit to WWJ, Detroit, and allow WAAF, Chicago, which operates on the same

channel (920 kc), to increase its daytime power from 500 watts to 1 KW but to deny its request for a construction permit to operate at night with 500 watts.

The Examiner held that the power increases in the daytime would not cause any great interference and that no evidence was offered in support of WAAF's request for night operation.

Granting of a construction permit to erect a new station at Moorhead, Minn., to operate on 1310 kc., 100 watts, unlimited time, was recommended by Examiner P. W. Seward conditional on the proposed removal of KGFK from Moorhead to Duluth.

X X X X X X X X

RADIO PIONEERS TURN EYES TOWARDS ETHIOPIA

While the layman radio listener, even though he possesses an all-wave receiver, probably will be undistrubed by the State Department's request of the Navy for an emergency radio station at Addis Ababa, short-wave fans - the radio pioneers - will look on it as a new world to conquer.

Four expert radio men from the Navy Department at Washington are en route to Addis Ababa, Ethiopia, for the purpose of insuring rapid communication between the State Department and the American Legation in case of an Italo-Ethiopian war and a breakdown in the present communication system.

There is only one radio station at Addis Ababa - ETA - and it is a radio telegraph transmitter which until recently sent out only dots and dashes that mean nothing to the average listener.

Upon this station all diplomatic representatives and newspaper correspondents are dependent for immediate communication with the outside world. If it should get out of order, the world might wait for several days for word from the Ethiopian capital.

The story of how this tation has risen suddenly from an obsolete wireless telegraph link to the place of an important international broadcasting devise is told by George M. Lilley, Radio Editor of the Philadelphia Inquirer, as follows:

"Station ETA was of little concern to America until first news of the impending Italo-Ethiopian embroilment flashed across the borders.

"It was only hours then until enterprising, foreseeing RCA Communications, Inc., had jumped into the scene. Those who

controlled the affairs of ETA were soon won over. Not long afterwards Ethiopian ETA cast the jabbering voices of men into the sultry, watery heavens - not just dots and dashes that people don't understand.

"Eight thousand miles away, at RCA's Riverhead, L.I. station they anxiously scanned radio's wonder bands for vestiges of the waves created in the far distant land. And quite a surprise was in store.

"Station ETA could be heard, could be heard here loudly - direct. In spite of the fact that its power totalled only 2 kilowatts and no form whatsoever of directional antenna was being used, the waves from Addis Ababa rolled through so readily that RCA decided no intermediate relay point should be needed for network relays. None has been employed on the rebroadcasts already put on.

"Usually signals streak out to their American destination on either 7.62 or 18.27 megacycles, the former used during the late afternoons and nights for reception here, the latter when daylight spreads over most of the path.

"Personal observations, however, soon showed that Addis Ababa isn't received so clearly by we average fans as it is at RCA's highly elaborate terminals of reception."

The Navy's emergency station, when erected, will send signals even less intelligible to the average listener as both code and dot and dashes will be used.

The signals probably will be relayed to Washington via the Philippines and San Francisco. They will be received at the Naval Research Laboratory at Bellevue, D.C., decoded, and rushed to the State Department.

X X X X X X X X

ONLY THREE LICENSE RENEWALS ARE STILL HELD UP

Out of a score of station license renewals set for hearings early in the Summer, the Federal Communications Commission has granted renewals from time to time to all but three outlets.

The renewals have led observers in the trade to believe that perhaps the hard-boiled attitude earlier assumed was a show for the benefit of Congress.

The three stations whose licenses are still being held up are KFRC, San Francisco; KNX, Los Angeles and WTMJ, Milwaukee. A hearing is scheduled for October 14. KMBC, Kansas City, Mo., and KMA, Shenandoah, Ia., were granted temporary renewals at the last FCC meeting subject to future action on the application for renewal.

X X X X X X X X

COLON STATION IN MARKET FOR AMATEUR TALENT - FREE

While broadcasting stations in this country are having to turn away ambitious amateur performers who wish to crash the ether waves, the newly-established broadcasting station at Colon, Panama, is having trouble finding sufficient talent.

Amateurs at first flocked to the studio of HP50, when it opened late in July, according to a report to the Bureau of Foreign and Domestic Commerce, but they "have since lost interest and are now scarcely available."

The station has resorted to phonograph records of good quality, mainly male singing numbers, to supplement the occasional personal performances still available. Local religious, memorial, patriotic and similar broadcasts are being advertised for the station free of charge in the news columns of the local press to attract public attention to the new radio enterprise. Amateur announcers, willing to try out their abilities without pay, are being tested. Broadcasting hours are not yet fixed or regular but are being timed usually to reach a relaxing public around noon and in the early evening.

Station HP50, Colon's first broadcasting transmitter, operates on 1440 kc. with 25 watts power. It is the third station in the Republic of Panama, the other two being a long-wave station, HP5B, and a short-wave station, HPSJ, both in Panama City.

The aerial of Station HP50 is suspended between wooden towers on the flat roof of the Carbone Building and is T-type, about 100 feet long, with four wires on flat top or horizontal section, raised about 125 feet above land.

"The venture is admittedly largely experimental", Consul James Loder Park reports, "but the prospects for profit are good. The two main difficulties encountered are to obtain unpaid performers to entertain with speeches, singing and instrumental musical performance, and to obtain support of the running expenses of the station, plus a reasonable profit on the investment, by advertising local business houses. Amateurs were available at first, but have since lost interest and are now scarcely obtainable.

"A relay service for foreign short-wave programs is proposed, as promising popular approval. Short-wave reception is difficult and interference sufficiently great that set owners often find the necessary manipulation too great, and as radio interest appears to be more strictly for the programs than for DX accomplishment, the popular choice promises more following for relayed programs than for direct reception."

X X X X X X X X

INDUSTRY NOTES

Anning S. Prall, Chairman of the Federal Communications Commission, presented the Columbia Broadcasting System medal for distinguished contribution to the radio art to Rear Admiral Richard E. Byrd in New York City on September 25. His address was broadcast.

David Sarnoff, President of the Radio Corporation of America, speaking from aboard the S.S. "Majestic" at sea, inaugurated the RCA radio matinee series on the National Broadcasting Company network September 29. Mr. Sarnoff was en route home from Europe.

The Director of the French Broadcasting Service (under the control of the Ministry of Posts, Telephones and Telegraph), has just announced that no change will be effected in wavelengths in France during 1935-36, according to present plans.

The Federal Communications Commission has issued a summary of the July reports of large telephone carriers having operating revenues in excess of $250,000. Copies may be obtained from the FCC office.

What is reported as the first war clause written into a radio contract is that of Locatelli, Inc., New York distributor for Bel-Pae cheese, with WOR, Newark. The distributor reserves the right to cancel the contract in event of an Italo-Ethiopian war or any emergency which would prevent the importation of the cheese from Italy.

Alfred P. Sloan, Jr., President of General Motors, announced in New York September 28th that the General Motors concerts will return to the NBC-WEAF network October 6 with the hookup increased from 20 to 64 stations.

Leonard Hole, recently with Benton & Bowles and previously with NBC, has been appointed assistant to W. B. Lewis, Director of Commercial Programs on Columbia Broadcasting System.

Stanley W. Barnett, formerly Manager of WBAL, Baltimore, has been made Manager of WCOD-WASH, Grand Rapids, Mich., just as the station becomes a full-time outlet for both NBC red and blue network programs. Barnett at one time was Manager of WOC, Davenport, Ia., and is a graduate of the Naval Radio School of Harvard.

X X X X X X X X

MUTUAL SYSTEM IS ONE YEAR OLD

The Mutual Broadcasting System, composed of the four basic stations WOR, Newark; WGN, Chicago; WLW, Cincinnati, and CKLW, Detroit-Windsor, becomes one year old on October 1. During that time the network has developed into a strong working unit with a record of one million dollars in sponsored business for the first year and a prediction that that total will be doubled in the year 1935-36.

CKLW, 5,000 watt station, became a member of the System September 29, being welcomed to the network with a dedicatory program.

The Mutual System is the outgrowth of an exchange of programs between WOR, WGN and WLW. At the outset the exchange consisted of but two broadcasts a week but gradually this has been increased since the inception of the system until today the schedule calls for several hours daily.

Since October 1, 1934, the following developments have taken place: the establishment of permanent lines between the basic stations; the development of a Mutual sales organization; the replacement of WXYZ, a 1,000 watt station, by CKLW, a 5,000 watter; the international exchange of programs between the Canadian Radio Commission, the British Broadcasting Corp., the Yankee Network and Mutual; the joining of the Mutual Broadcasting System with Proprietory Drug Association as associate member so that the network could take advantage of the association's Advisory Committee on Advertising; the WOR- Mutual Radio Playhouse which sponsors may use at a nominal cost for their radio shows, and lastly the placing at the disposal of national advertisers other affiliate stations so that sponsors may have whatever network coverage they might desire.

At the present time approximately 20 hours a week is being carried over the network commercially and approximately 40 hours of sustaining time is being fed by the chain to member stations.

X X X X X X X X

APPLICATIONS GRANTED BY BROADCAST DIVISION FCC

New - Clarence Scharbauer, Midland, Texas, C.P. to operate on 1420 kc., 100 watts, daytime, site to be determined; KWG, Portable Wireless Tel. Co., Inc., Stockton, Cal., CP to install new equipment; KNEL, G. L. Burns, Brady, Tex., Mod. of CP approving transmitter and studio sites and antenna system, extend commencement date to 10 days after grant and completion date to 180 days thereafter; WEMP, Milwaukee Broadcasting Co., Milwaukee Brdcstg. Co., Milwaukee, Wis., Mod. of CP to make changes in eqpt; KPRC, Houston Printing Co., Houston, Tex., Mod. of license to increase power from 1 KW night, 2½ KW day to 1 KW night, 5 KW day; WNEL, Juan Piza, San Juan, P.R., extension of present license for period of 60 days, 1290 kc., 500 watts, unlimited time; KYA, Pacific Broadcasting Corp., San Francisco, Cal., extension of license for period of 60 days, 1230 kc., 1 KW, unltd; WIP, Penna. Brdcstg. Co., Philadelphia, Pa., extension of license for period of 60 days, 610 kc., 500 w. unltd; KROW, Educational Brdcstg. Corp., Oakland, Cal., extension of license for period of 60 days, 930 kc., 1 KW, unltd.

Also, WCAE, WCAE, Inc., Pittsburgh, Pa., Mod. of CP to make changes in eqpt.; WKAR, Mich. State College, East Lansing, Mich., license to cover CP authorization changes in antenna system, 1040 kc., 1 KW day, S.H.; KNOW, KUT Broadcasting Co., Austin, Tex., license to cover CP authorizing change in transm. site and in eqpt., 1500 kc., 100 w., unltd.; WMFG, Head of the Lakes Brdcstg. Co., Hibbing, Minn., license to cover CP authorizing new station at Hibbing, to operate on 1210 kc., 100 w. unltd. time; WFBE, Radio Station WFBE, Inc., Geo. M. Schott, Pres., Cincinnati, Ohio, Vol. Assignment of license from Radio Station WFBE, Inc. to Continental Radio Co.; KFBB, Buttery Broadcast., Inc., Great Falls, Mont., extension of present license for period of 60 days, 1280 kc., 1 KW night, 2½ KW day, unltd. time; WJBK, James F. Hopkins, Inc., Detroit, Mich., renewal of license for the period ending Jan. 1, 1936, 1500 kc., 100 w. night, 250 w. day, unltd.

Also, KFIO, Spokane Broadcasting Co, Spokane, Wash., extension of present license for period of 60 days, 1120 kc., 100 watts, daytime; KDYL, Intermountain Brdcstg. Corp., Salt Lake City, Utah, extension of present license for period of 60 days, 1290 kc., 1 KW, unltd; KEHE, Evening Herald Publishing Co., Los Angeles, Cal., extension of present license for period of 60 days, 780 kc., 500 w., night, 1 KW day, S.H.; KFAB, KFAB Broadcasting Co., Lincoln, Neb., renewal of license for the period ending Feb. 1, 1936, 770 kc., 5 KW; KOIN, KOIN, Inc., Portland, Ore., extension of present license for period of 60 days, 940 kc., 1 KW night, 5 KW day, unlimited; New, National Brdcstg Co., Inc., Washington, D. C., CP and license for new Gen. Exp. broadcast pick-up station, freqs. 31100, 34600, 37600 and 40600 kc., 100 watts.

X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL—Not for Publication

INDEX TO ISSUE OF OCTOBER 1, 1935.

No. 864

October 1, 1935.

CHARACTERISTICS OF THE BRITISH 1935-36 RADIO SET

The 1935-36 British radio receiver, exhibited publicly for the first time at the late August radio show, is described in an article published in the London Electrical Review.

The article, which explains that 170 exhibitors took part in the show, follows in part:

"As might be expected, the superheterodyne circuit is still the most popular one among set manufacturers, and there are very few exhibits of receivers which do not consist mainly of sets of this type. Many of these are of the 3 to 4 tube (plus tube rectifier) class, making use of multi-stage tubes in certain positions. On the other hand, receivers and phonograph combinations with up to 15 tubes are to be seen, these, of course, falling in the higher priced class. Generally speaking, the price levels have changed very little since last year, and the popular type of table superhet is usually listed at from 11 to 14 guineas. Lower priced sets are generally of the simple tuned radio frequency type.

"'High Fidelity' is undoubtedly the slogan of many firms this year. In most cases, this is justified, but in others there seems to have been very little attempt to improve on last year's models, except, perhaps, to incorporate a somewhat larger speaker.

"Apart from the followers of the superhet circuit, there is a small, but none the less important, band of manufacturers of high fidelity apparatus who pin their faith to 'straight' receivers with tuned, radio frequency stages.

"For some time it has been apparent that designers have been handicapped by the necessity of including the loudspeaker in the cabinet with the receiver. There is no real reason for this, except convention, and this year several firms supply receivers with no self-contained speaker. The breakaway is by no means general, however. In other cases, improvement in reproduction has been sought by the use of special output stages, twin, triple, or even quadruple speakers, and special cabinet design.

"Another tendency this year is for manufacturers to show one or more so-called 'all-wave' models, to cater for the interest in ultra-short wave reception. In most cases the extra wave-bands go down to 10 or 15 meters, but in no case is the complete wave-band up to 2,000 meters covered without breaks. All-Wave International Radio and Television, Ltd., in one of its models covers from 12 to 560 meters without a break, and 800 to 2,000

meters, but this is unusual. Generally one or two extra wave-bands are included in more or less standard receivers, to cover up to 50 or 80 meters.

"Many and ingenious are the arrangements designed to provide easy tuning in modern receivers. Dials are mainly of the 'full-vision' type, with a pointer, band or spot of light moving over the scale, which is calibrated in wave lengths and marked with station positions.

"In summing up one's impressions of the receivers and similar equipment on show, it is safe to say that there seems to be a notable tendency for the manufacturers to aim at reliability of their products, rather than at extremely low prices. This policy must react favorably upon the public during the coming season, while the dealer should find his service problems eased to a considerable extent."

X X X X X X X X

CALDWELL CITES SIMPLE RULES FOR LISTENERS

Three simple rules for listeners, enabling them to put their radio sets in best condition for the big broadcast program ahead, were outlined by Dr. Orestes Caldwell, editor of Radio Today, and former Federal Radio Commissioner, during a series of musical experiments on the Columbia Broadcasting System network September 28.

Approximately $25,000,000 will be spent on broadcasting program features during the next few months, and Dr. Caldwell pointed out that if the listener is to get full enjoyment of this galaxy of programs, he should get his radio into shape without delay by (1) Putting fresh tubes in his set; (2) Installing an adequate outdoor antenna, as high as possible, and run away from the house; (3) Purchasing a modern receiver capable of reproducing the full tonal range of modern broadcasting.

X X X X X X X

THREE DETROIT STATIONS SWITCH NETS IN CEREMONIES

Special broadcasting programs marked the realignment of three Detroit network outlets on September 29.

WJR formally dedicated its 50,000-watt transmitter as it left the NBC-WJZ network for CBS. WXYZ, for the last year the Detroit outlet of the Mutual Broadcasting System, succeeded WJR on NBC's Blue network, while CKLW left CBS and supplanted WXYZ on the Mutual hookup.

X X X X X X X X

WGN CELEBRATES OPENING OF $500,000 STUDIO ADDITION

A full week of gala programs, starting October 1, inaugurated the new $500,000 radio studio building of WGN, on Michigan Avenue, adjoining the Tribune Tower, in Chicago. Capacity audiences, admitted by tickets issued only on written request, witnessed the studio performances.

All of the programs which were presented on the platform in the main studio were heard perfectly by those attending through the speaker system which is installed in the auditorium. The music and speech came to the visitors seated in the studio through giant speakers concealed in the abutments alongside the platform. This is the only Chicago studio which is equipped with this speaker system, according to Larry Wolters, Radio Editor of the Chicago Tribune.

During the gala week of performances, visitors saw for the first time the new lighting system which is the only one of its kind installed in a radio studio. Perfect control of all of the lights in the studio is maintained through a dimmer system. When the programs are presented on the platform the orchestra and artists play under lighting conditions and with a color change control unequalled in Chicago.

The pickup of the music and speech for the programs is through a regular battery of microphones on the platform. Three microphones are suspended from the ceiling and numerous other "mikes" stand at convenient spots on the platform itself. In all eight microphones are available for handling any one program and they may be controlled either singly or as a complete bank of eight.

X X X X X X X X X

ASCAP ISSUES ANOTHER PROPAGANDA BLAST AT RADIO

As negotiations continue between the National Association of Broadcasters and the American Society of Composers, over new copyright rates for radio, the latter issued on October 2 for "general release" a story which began with the following significant paragraph:

"'Murder of music' by radio was accomplished in 1934 when the 85 leading tunes of the year were played a total of 1,255,669 times by just the two principal networks, according to an annual survey newly completed by the American Society of Composers, Authors and Publishers. This survey was made from program logs submitted by the NBC and CBS chains, and is used by the Society as one of the points in the classification of its members.

There then follows, in great detail, a story of how radio has hurt the sale of sheet music.

X X X X X X X X

RADIO TRADE BOOM SEEN AS INDICATOR OF RECOVERY

Both branches of the radio industry - the broadcasters and the radio equipment dealers - are reporting sharp increases in late Summer and Fall business and are making optimistic predictions of a record Winter. Their records are interpreted as another indication of general business recovery.

As the New York Radio Show closed, after an attendance of more than 150,000 visitors, radio set makers and dealers went home prepared to take care of an anticipated increase of from 15 to 20 per cent over the business of the last half of 1934. Sales during the first half of 1935 amounted to 2,453,000 as against 2,027,000 for the corresponding period in 1934.

Broadcasters meanwhile were reporting the first definite break in the traditional Summer decline in radio advertising. Figures released by the National Association of Broadcasters showed August business totalled $5,637,490. This represented a drop of but 3.5 per cent below the preceding month, compared to slumps of 10.2 per cent in 1934 and 5.9 per cent in 1933.

National non-network advertising rose 3.8 per cent in August, while general non-network advertising gained 1.3 per cent and stood at 59.6 per cent above August, 1934.

Radio advertising volume for the first eight months of the year pointed to a possible total business of $90,000,000, according to Broadcasting, radio trade magazine.

Showing a more pronounced increase than any previous month of the year, August broadcast advertising was 46.6 per cent greater than during the corresponding month in 1934 and exceeded August, 1933, by 52.5 per cent.

The Columbia Broadcasting System recorded the largest monthly gain among the major networks with a gross return of $879,019, an increase of 71.2 per cent over the previous year's figures for the same month, and the largest August income on record. The NBC-WJZ Blue network hung up a record increase of 55 per cent, with a gross of $756,797.

For the first eight months of the year, CBS has now a cumulative total income of $12,463,371, 22.1% better than last year, and the combined NBC networks (including the Pacific Coast) have $20,667,094, which is 16.5% better.

X X X X X X X X

HILL NAMED ENGINEER IN TELEPHONE INQUIRY

Cyrus G. Hill, of Chicago, a well-known consulting engineer on telephone matters, has been named by the Federal Communications Commission to direct the engineering phases of the American Telephone & Telegraph Company. He succeeds William G. H. Finch, who resigned recently as Assistant Chief Engineer of the Commission.

Since 1919, Mr. Hill has been associated with the consulting engineering firm of J. G. Wray & Company. He has engaged in a large number of telephone investigations and rate cases including the Northwestern Bell Telephone Company in Minnesota, the North Dakota Independent Telephone Company, the Western Electric Telephone System of Iowa, the Indiana Bell Telephone Company, and the New York Telephone Company.

Mr. Hill developed and presented testimony in the case of the City of Chicago vs. the Illinois Bell Telephone Company wherein the Supreme Court sustained the decision of the Illinois Commerce Commission which resulted in some twenty million dollars of refunds to the telephone subscribers of Chicago. He has been employed for sometime as a public utilities engineer by the Public Service Commission of Wisconsin in making a special investigation of the Wisconsin Telephone Company.

X X X X X X X X

DELLINGER REPORT COVERS RADIO RESEARCH FINDINGS

Dr. J. H. Dellinger, Chief of the Radio Section of the U. S. Bureau of Standards, has submitted his annual report to the Director of the Bureau with a discussion of research and findings in the radio field.

Dr. Dellinger's activities continued chiefly in the field of standard frequencies and radio wave phenomena. The latter work was somewhat extended by initiating a program of research on ultra high frequencies. Work was begun on the measurement of radio field intensities with higher accuracy than ever before. Special progress was made in the furnishing of standard audio frequencies by modulation of the carrier in experimental standard frequency radio emissions.

Copies of the report may be obtained from the Electrical Division of the Department of Commerce, Washington, D. C., at 25 cents each.

X X X X X X X X

CLERGYMAN RAPS SPONSOR'S USE OF HYMNS

The sponsorship of a radio program to be called "Hymns of all Churches" by a national food distributing concern was criticized by the Rev. Dr. Raymond L. Forman in his sermon last Sunday at St. Paul's Methodist Episcopal Church, West End Avenue at 86th Street, New York City, according to the New York Times.

Dr. Forman called upon all churches and Christians to protest against this program, which he said is scheduled to begin this week over a national hook-up, terming it "a desecration of that which is sacred - a form of phasphemy."

"The worst form of exploitation of the religious life of people is perpetrated by commercial interests", Dr. Forman said. "In this case hymns are being used as the medium which are the expressions of religious experience of people in all ages. Many hymns are the outpourings of the deepest sorrow and of joy. Many are expressions of personal communion with God.

"All these are taken and exploited to sell foodstuffs. If you are a real Christian you will register your immediate protest. These food distributers are trying to excite a certain emotional reaction for the purpose of selling a brand. Imagine the effect when you come to church to pray and sing hymns to have the name of that company flash through your mind as you are praying."

Any program of religious service over the radio sponsored by a church is worth while, Dr. Forman added, as "there is no reason why the teachings of God should not use the radio for its dessemination."

EDITOR'S NOTE - Washington offices of both the National Broadcasting Co. and the Columbia Broadcasting System disclaimed knowledge of the program attacked by Dr. Forman.

X X X X X X X X

CHICAGO TRIBUNE RAPS STANDARD OIL NEWS PLAN

The following editorial appeared in a recent issue of the Chicago Tribune:

"We are in receipt of a communication from the Associated Press in connection with news broadcasting, quoting the publication Variety's announcement that 'the Standard Oil of New Jersey has bought the news broadcasts in all NBC owned and operated east of the Mississippi, with the contract calling for four five minute periods a day every day in the week but Sunday.'

"We doubt the public will put much confidence in a news service censored by the government and paid for by the Standard Oil Company."

X X X X X X X X X

NAB BOARD CALLS MEETING ON COPYRIGHT PROBLEM

A meeting of the Board of Directors of the National Association of Broadcasters has been called for October 17 in New York for reconsideration of the whole copyright problem before current contracts expire December 31. The conference was scheduled at an NAB Executive Committee parley last week with E. C. Mills, General Manager of the American Society of Composers.

Many stations are reported to be negotiating, meanwhile, for extension of present contracts, but few are said to be signing because of the probability of a general revision in copyright rates.

X X X X X X X X X

I. T. & T. SHOWS GAIN AS POSTAL REPORTS LOSS

The International Telephone and Telegraph Corporation and subsidiaries, excluding the Postal Telegraph and Cable Corporation reported September 28 in a preliminary statement a net income of $2,128,581 in the first six months of the year, equal to 33 cents a share on its no par capital stock. This compared with a net income of $1,953,229, or 30 cents a share, in the same period last year.

The Postal Telegraph & Cable Corp., which filed a separate report, revealed that operations for the first six months of 1935 resulted in a net loss of $992,807 after provision for all charges, including accrued interest on the outstanding bonds and debenture stock as compared with a loss of $255,296 for the corresponding period in 1934.

X X X X X X X X X

NEWSPAPERS FIGHT EACH OTHER BY RADIO

Circulation rivalry between Baltimore newspapers has advanced to the stage where radio is being used intermittently every day to advertise the wares of the rival newspapers, according to Newsdom, newspaper organ. With the Hearst-owned American and News Post controlling WBAL, which was purchased by Hearst Radio a year ago, and the Sun having a tieup with WCAO through a mutual advertising agreement, the radio listeners are given daily advice where to find the latest news beat, the up-to-the-minute feature and almost every blatant appeal to buy papers.

X X X X X X X X X

CBS RADIO SCRIPT (N.F.B.) ANSWERS A.N.P.A.

With considerable humor and some subtlety, the Columbia Broadcasting System has answered the booklet issued by the American Newspaper Publishers' Association alleging that radio advertising is on the decline.

"Pa and Ma and Mike (or Just a Foster Child)" is the title of the 5-minute scrip "that will never, never be broadcast".

H. K. Boice, Vice-President of CBS, said the script was written by "a bright young lad in the Continuity Department", in answer to "news stories" that "radio has lost some 400 of 600 advertisers and was a frightfully expensive medium anyway".

As to his own reactions to the ANPA stories, Mr. Boice said:

"Being pretty busy with new business, a heavy schedule of renewals, and a lot of outstanding new shows in preparation for the biggest Fall season radio has ever had (after the biggest Summer), we didn't stop to recognize or rebut the quaint statistical attack. Besides, the more radio has grown, the more we have become used to a bit of heckling here and there."

X X X X X X X X

AUDIT BUREAU PLAN PUSHED; AGENCY SCHEME DROPPED

A sub-committee has been appointed for the purpose of working out a plan for a cooperative bureau to audit station audience and coverage data as a result of a meeting in New York of the Committee of Fifteen, composed of representatives of the National Association of Broadcasters, the American Association of Advertising Agencies, and the Association of National Advertisers.

NAB, meanwhile, has dropped for the time being a proposal to establish an agency recognition bureau for radio because an insufficient number of stations have agreed to subscribe to it.

X X X X X X X X X

WIRED RADIO SEEN AS ADVERTISING RIVAL

"First indication of wired radio girding itself for direct competition with aerial broadcasting came last week when it was disclosed that the Ticker News Co., which services cafes, restaurants, bar-rooms and private clubs, proposes to sell spot announcements to advertisers", according to the current issue of Variety.

"Because of the fact that it is charging a fee for the receiving set, the ticker outfit realizes that the type of advertising will have to be limited as to field and confine itself to products closely associated with the enterprises that the TNC serves.

"In undertaking to interpolate advertising matter into the service's daily flow of news and sports bulletins and comments and music the operators of the Ticker News Co. propose to proceed with the utmost caution. It feels that the owner of a restaurant will have no objection to the receiving set advertising a brand of cheese or sardine but that he would resent a service for which he is paying $180 a year plugging a cosmetic or hair-oil to his customers.

"Ticker News Co., which does its broadcasting by telephone wire and has 400 clients in New York and 200 more in Philadelphia, now includes a copyrighted music in its fare under an experimental license granted it by the Music Publishers' Protective Association and the American Society of Composers, Authors and Publishers.

"Service has asked the music industry to license it permanently on a per installation basis, with the fee suggested being $15 a year for each receiving set. A license of this type would relieve the Ticker News Co. of the necessity of manufacturing its own musical recordings and paying $5 a tune on each master and 25¢ or 50¢ for each composition when and as used."

X X X X X X X X

EXHIBITORS PLEASED AS N. Y. RADIO SHOW ENDS

Opinions gathered as the 1935 National Electrical and Radio Exposition closed last week at the Grand Central Palace after ten busy days in which more than 150,000 visitors viewed the new merchandise, indicated that business had equaled or exceeded the expectations of exhibitors, according to the N. Y. Times.

One indication of returning prosperity, pointed out by several radio makers, is that the higher priced machines have caught the fancy of most people. Midget receivers were pushed

further and further into the background as the exposition progressed, indicating that inquiries centred around the larger and more expensive models. The same trend was reported by sales representatives of other electrical lines.

The chief worry of many manufacturers, according to their representatives, would be the filling of orders on time to meet the sudden demand. As a result, nearly all the exhibitors already have increased their factory production.

X X X X X X X

INDUSTRY NOTES

WPRC, Providence, R. I., on September 29 became associated with the Yankee Network as an alternate outlet with Station WEAN.

A list of importers and dealers of radio and radio equipment in Argentina has been compiled in the Commercial Intelligence Division from data prepared and submitted by American consular officers abroad under the direction of the Secretary of State. Copies of this circular may be obtained from the Bureau of Foreign and Domestic Commerce or from its district and cooperative offices at 50 cents each.

A new type microphone - non-directional and streamlined - has been introduced by WOR, Newark. Bell Telephone Laboratory-Western Electric engineers were the designers.

It is reported from Athens that the Government has now broken off the negotiations with an English and a German company regarding the construction of broadcasting stations and is inviting tenders for the work. The stations will be operated by the State, which will defray the costs of construction.

X X X X X X X X

TEN FCC ATTORNEYS RETAINED DESPITE LOW RATINGS

Because the Federal Communications Commission insists their services are vitally needed in the approaching American Telephone & Telegraph Company inquiry, ten FCC attorneys are to be retained on a permanent basis although passing marks they made in Civil Service examinations were below those of competitors.

An Executive Order was signed by President Roosevelt just before his departure for the West, it was learned today (October 1) after Chairman Anning S. Prall had made a special call to the White House.

These lawyers were appointed when the FCC was organized on a temporary basis. Early this year they were required to take Civil Service examinations and, although all of them passed, some outsiders made better marks.

The Civil Service Commission was at first insistent that the higher grades be given precedence, while the FCC argued that the incumbents were entitled to preference because they had a few months' experience. Finally, the Commission agreed to accept an Executive Order to give the lawyers permanent jobs.

Herbert L. Pettey, Secretary of the FCC, said that they are engaged only in the preliminary phases of the A. T. & T. inquiry but are all assigned either to the Telegraph or Telephone Divisions.

X X X X X X X X

RADIO SIGNALS FROM BALLOON AID WEATHER FORECASTS

A complete system, based on the Olland telemeteorograph, for obtaining signals by means of a radio transmitter from instruments attached to free balloons has been constructed at the U. S. Bureau of Standards.

The Standards Bureau is working in close cooperation with the Weather Bureau in the belief that the system will prove valuable for obtaining meteorological data at great altitudes.

The complete radio apparatus for attachment to a balloon weighs less than two pounds, and preliminary trails show that the signals can be heard clearly at altitudes of 14 miles and at distances of 80 miles, according to the Standards Bureau.

By employing a method of direction finding for the pulses emitted by this radiometeorograph the location of the balloon can be ascertained at the instant any pulse is sent out.

X X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF OCTOBER 4, 1935.

No. 865

FCC GRANTS FIVE LICENSES IN BROOKLYN RADIO ROW

Terminating a battle of several months for broadcasting privileges in Brooklyn, N. Y., the Federal Communications Commission this week granted the applications of five stations and denied the requests of five others. The order becomes effective at 3 A.M. November 15.

The Brooklyn Broadcasting Corporation and The Brooklyn Daily Eagle applications were approved, the two stations to share time equally. Both will operate on 1,400 kc. frequency.

The Rensselaer Polytechnic Institute, Troy, Station WHAZ; the Fifth Avenue Broadcasting Corporation, Station WFAB, and the People's Pulpit Association, Brooklyn, Station WBBR, were granted renewal of their license.

The following applications were denied:

United States Broadcasting Corporation, Brooklyn, Station WARD, four separate applications; Voice of Brooklyn, Inc., Brooklyn, Station WLTH, two applications; Paramount Broadcasting Corporation, Brooklyn, Station WVFW, three applications; Arde Bulova and Norman K. Winston, Brooklyn, and Debs Memorial Radio Fund, Inc., New York City.

To the Brooklyn Broadcasting Station, WBBC, was assigned the facilities of Stations WARD and WVFW, while to The Brooklyn Daily Eagle was granted a construction permit for a new station, utilizing the facilities of Stations WARD, WBBC, WVFW and WLTH.

A Commission Examiner several months ago told the Commission that if The Daily Eagle application was denied that channel should be assigned to Bulova and Winston. Both applicants, his report said, showed equally sound plans and financial responsibility.

X X X X X X X X

SHANGHAI PLANS NEW 10,000-WATT RADIO STATION

A contract for the construction of a 10,000-watt broadcasting station at Shanghai have been let to the "Telefunken" German interests, according to a report to the U. S. Bureau of Foreign and Domestic Commerce.

The station, with two iron towers weighing 40 tons each, will be the second largest in China, being second to the 75,000-watt transmitter at Nanking.

X X X X X X X X

S O S MAY NOW BE RECEIVED ON AUTOMATIC RECEIVER

Standards for an automatic alarm receiver to be used by American ships which carry only one radio operator were approved this week by the Telegraph Division of the Federal Communications Commission in the interest of safety of life and property at sea.

Regulations annexed to the International Telecommunication Convention, Madrid, 1932, provide for an automatic alarm signal to consist of twelve dashes sent in one minute, the duration of each dash being four seconds and the duration of interval between two dashes one second. The purpose of this special signal is to set into operation the auto-alarm apparatus on a ship to give the alarm. The alarm signal shall, as a general rule, immediately precede the distress call sent by radiotelegraphy on 500 kilocycles.

At the present time there are about 1500 ships of the United States voluntarily equipped with apparatus for radiocommunication. Many of these ships only carry one radio operator and obviously cannot maintain a continuous listening watch. In case of distress, a vessel of this type might be in the immediate vicinity of the vessel sending out distress signals and would not be advised of the circumstances. Should the auto-alarm receiver be installed, the transmission of alarm signals by the vessel in distress would serve to arouse the operator of the nearby vessel and thus obtain its assistance.

X X X X X X X X X

WORLD NEWS STIMULATES RADIO IN AUSTRIA

As a reaction to recent world developments, a notable stimulation in interest in radio broadcasting is evident in Austria, according to a report to the Commerce Department from Commercial Attache Gardner Richardson, Vienna. On December 31, 1934, he points out, the number of licensed radio sets in the country totaled 527,295 compared with 507,489 on December 31, 1933, an increase of 19,816.

Radio receiving set owners in Austria, the report states, are subject to a listeners' fee, the proceeds of which are used to finance the only Austrian and government controlled broadcasting company, the "Ravag."

Importation of radio sets into Austria is subject to special permits and these are granted for sample sets only. Imports of radio parts not manufactured in Austria have increased greatly.

X X X X X X X X

BROADCASTERS TURN TO COLLEGES FOR TRAINED YOUTHS

College yells may become the sign-off announcements of American broadcasting stations because of the increasing tendency of broadcasters to turn to the universities for trained young men in practically every field of radio.

As another semester opens, it is apparent that the advanced schools all over the country are going in more than ever for special courses in broadcasting, including announcing, radio advertising, script writing, play production, and broadcasting technique. This training service is additional to the increasing use of broadcasting by colleges and universities in the traditional liberal arts courses.

For years broadcasters salvaged their talent from other professions because no institutions of repute were offering to train the youth. Announcers for the most part were young men who had been taught to make the most of their vocal chords in singing lessons; advertising writers were trained chiefly in the art of printed advertising.

Among the regular higher educational institutions, exclusive of specialized schools, offering courses in the radio field this Fall are: New York University, Boston University, the University of Southern California, the University of Denver, Ogelthorpe University, Northwestern, Iowa State University, Drake, Kansas State, Boston University, Michigan, Syracuse, Rochester, Akron, and Western Reserve.

An explanation of the attitude of the educators in entering this new field may be found in a statement by Dr. H. C. Harshbarger, Assistant Professor of Speech at Iowa State University. He refers also to the value of operating a broadcasting station in conjunction with the courses.

"The university station should provide a laboratory in which gifted students can train themselves for radio careers", he said. "I am quite aware that all mortals seem to feel that they are God's gift to radio, and that all students who get into the departmental courses think of themselves as the logical successors to Graham McNamee.

"Probably, too, beginners in dramatic art feel that the Barrymores are really wasting their time, and similarly it is no doubt true that students of banking feel that until they can take the place of J. Pierpont Morgan that the finances of the world will remain in fairly bad shape. But it is reasonable to hope that the student of broadcasting will have the same relation

to radio that the student of acting has to the theater, the student of government to politics, and so through the entire range of subjects in which students interest themselves. Certainly as teachers we owe ambitious and talented students the wisest direction we can give them.

"Another reason for my conviction of the necessity of using the university station as a laboratory for talented students is the nature of the radio industry. No medium of communication can use up so many ideas and so much talent in the course of a year. Week in and week out, regardless of whether you operate the largest network or the lowliest hundred-watter, whether you are in business for money or for education, your primary problem is to hold the audience. To hold that audience requires the use of all the brains and imagination which can be brought to bear. If the broadcasting industry in America is to maintain and elevate its program standards it must have trained young men and women who possess imagination, brains, and energy."

An indication of the nature of a general course in radio broadcasting may be found in the following explanation by Prof. H. B. Summers, of the Department of Public Speaking at Kansas State College of Agriculture and Applied Science, which offers three courses: radio speaking and announcing, the radio program, and program participation. He says:

"The most practical feature of our courses as they now stand is the presentation over the college radio station, KSAC, of seven student programs each week; prepared, directed and presented entirely by students. Five of these programs are of the informative type, each covering current news and timely discussions in some given field, such as national affairs, news of the colleges, etc. On each, from four to six students are used; one presenting a review of the news of the week, with comments; a second (usually) presenting a feature-type talk, stressing novelty, humor or human-interest elements; and others presenting either more serious talks, or using dialogue, dramatic, interview or forum methods of presenting information.

"The six program includes ten minutes of music, and a 20-minute period modeled after the 'March of Time' broadcasts, but taking up high lights in historical events which occurred during the corresponding seven days. The seventh program includes 20 minutes of music, and a ten-minute dramatic presentation, with scenes laid in college settings.

"All of these programs are student planned and student directed. Continuities for all programs are prepared entirely by students. And only students take part in the programs themselves, as directors, continuity writers, speakers, musicians, or actors. Probably from the standpoint of actual student participation, our courses here go about as far as do any offered in any college in the country - at least, as far as I have been able to discover."

X X X X X X X X X X

PRALL EXPLAINS STAY ORDER FOR ATTORNEYS

Following publication of a report that ten attorneys with the Federal Communications Commission had been given permanent appointments by Executive Order although they were outclassed in a competitive examination, Chairman Anning S. Prall issued a statement defending the order (See last news letter).

"For nearly a year these attorneys have been doing highly specialized and valuable work for the Communications Commission", he said. "To have displaced them would unquestionably have slowed down and restricted the efficiency of the Commission.

"It is interesting to note that all of the ten attorneys who were old enough to do so performed work of a civil or military character during the World War. The one woman included in the ten had two brothers in the active military service, one of whom is now a totally disabled veteran while the other met his death in the service."

The ten attorneys appointed on a permanent basis by virtue of the Executive Order, effective October 1 are the following:

Walter D. Humphrey, James A. Kennedy, George M. Harrington, Abe L. Stein, Basil P. Cooper, James L. McDowell, Annie Perry Neal, Robert M. Fenton, Frank U. Fletcher and Melvin H. Dalberg.

X X X X X X X X X

TRADESMEN FIRST GUESTS OF NEW WGN

Workers who built the new Chicago Tribune's WGN radio building were the honored guests at the two-hour dedication program last Tuesday night, October 2, in which they were introduced to something of the mysteries of this radio world which they had housed so beautifully in silver and blue and softly changing colors.

Half of the 550 engineers, artists, and artisans who have worked for 276 days on this structure which combines the latest technique of the radio laboratories and the enduring beauty of stone that has been characterized as 'frozen music' were with their families.

"This means more than just giving you the first show here", said Col. Robert R. McCormick, editor and publisher of The Tribune, who has watched the progress of these men at their work with keen interest. "This is a celebration where you in front turn over this building to the people on the stage."

X X X X X X X X X X

FCC NAMES ASSISTANT COUNSEL IN TELEPHONE INQUIRY

Samuel Becker was appointed Assistant Special Counsel October 3rd at a salary of $9,000 per annum, to be in full charge of the legal work incident to the special investigation by the Federal Communications Commission of the American Telephone and Telegraph Co. His appointment is effective October 15, 1935, and he will serve in that capacity until the appointment of the Special Counsel when he will assume the duties of First Assistant to the Special Counsel.

Mr. Becker, who is 32 years old, was born and reared in Milwaukee, Wis. After completing the public school courses of Milwaukee, he attended the University of Wisconsin where he received his A.B. degree in 1922. Then he attended the Harvard Law School and received his LL.B. in 1925, and in 1926 Harvard conferred on him the degree of Doctor of Juridical Science.

While attending Harvard in the year 1925-26, Mr. Becker was Research Assistant to Professor Bohlen, and reporter for the Law of Torts for the American Law Institute. During the year 1926-27, he was Assistant Professor of Law at the School of Law, Tulane University at New Orleans.

From 1927 to 1931 Mr. Becker practiced law in Milwaukee, after which he was appointed Executive Counsel to Governor Lafollette during the term of 1931-1932. During that period he was also Special Counsel for the State of Wisconsin in several important cases, and also assisted the Public Service Commission in its investigation of the telephone company's rates.

Subsequently he was Counsel in the Public Works Administration. In 1934 he returned to Wisconsin and was employed by the PWA as Counsel for Wisconsin, and on August 5, 1935, he was appointed General Counsel to the Power Division of the PWA.

X X X X X X X X

RADIO DEVICE HELPS GUARD U.S. GOLD RESERVE

Sensitive "radio ears" will do their part in guarding the Treasury's gold bullion at the projected new vaults under construction in San Francisco and Fort Knox, Ky. While these vaults will be built of the most impregnable steel and concrete and will be guarded day and night, an elaborate system of mechanical alarms will be installed to supplement the human guards.

Throughout the whole building at Fort Knox, for instance, sensitive microphones will be installed and connected to a central guard room. These will record the most trivial sounds and warn the guards of any unusual noises.

X X X X X X X X

NEWFOUNDLANDERS PREFER ALL-WAVE RECEIVERS

That radio is making steady progress in Newfoundland is shown in a report from Vice Consul C. C. Sundell, St. John's made public by the Commerce Department.

It is conservatively estimated, the report states, that there are at the present time more than 8,000 receiving sets in use in the Island, most of which are all-wave. Of these, over 80 percent are of American origin. The number of new sets is constantly being augmented by imports from the United States, such importation being encouraged by the reduced 1935 customs tariff and the fact that there is no preferential tariff on sets imported from Great Britain.

The receiving sets enjoying the greatest popularity in Newfoundland are the all-wave table models, the report states, pointing out that this is due primarily to the standard of living of the masses which precludes the sale of the more expensive models.

An expert of the British Broadcasting Corporation is now making a survey of the technical end of the unification of broadcasting in the Island, with the view to determining just where in Newfoundland a broadcasting station should be established to serve the entire Island, the Vice Consul reported.

X X X X X X X X

FCC CHARGED WITH CENSORSHIP ON ITS OWN NEWS

Although the Federal Communications Commission is specifically forbidden from censoring radio programs by the Communications Act, it is now being charged with censoring the news reports of its own actions.

The latest complaint comes from Editor & Publisher, trade organ of the American Newspaper Publishers' Association. It follows closely a similar protest from Variety, trade periodical of the amusement business.

James J. Butler, Washington correspondent of Editor & Publisher, in a story to his paper says:

"A censorship has been imposed at the Federal Communications Commission to prevent inquisitive newspaper correspondents from obtaining information with which to interpret and elaborate upon fragmentary facts disclosed in the Commission's official handouts, it was discovered this week.

"A blunt refusal to open Commission minutes to public inspection was voiced by Herbert L. Pettey, secretary of the government body, when a representative for a Pacific Coast paper attempted to find out what action had been taken on the appeal of a broadcasting station from an adverse decision of the Broadcast Division. Pettey's action conflicts with Commission rules as well as with provisions of the 1934 Communications Act.

"Admitting that the documents 'technically' are available for examination by the public, Pettey announced he has no intention of allowing newspaper correspondents to have access to the records because great inconvenience would result. Furthermore, the Commission official declared, newspapermen are furnished with all the information the government agency believes they require, through the medium of daily and weekly mimeographed statements.

"The latest incident in a series of moves to throw a veil of secrecy around Commission activities had the effect of partially concealing from the public the fact that Commissioner Irving Stewart at a recent meeting had severely criticized his colleagues for failure to observe official regulations and established policies. Although Stewart's remarks were offered for the official minutes, no hint of the criticism reached the public through official channels.

"Under established procedure, a brief record of action on pending applications by various Commission divisions is sent to the press room each week to be mimeographed and distributed to correspondents. Supplementing this service, the FCC releases in similar fashion hand-picked information, such as Examiners' reports, statements of grounds for decisions, and new applications filed by existing broadcasting stations, license-seekers, and telephone and telegraph companies.

"The formal 'handouts' contain only the most essential details, containing little if any background. Additional information, however, is contained in the Commission minutes which this week Secretary Pettey announced would not be opened to newspapermen. With a few specific exceptions, Commission documents, under the printed rules and regulations governing practice and procedure of the FCC are to be made available for public inspection."

X X X X X X X X

EDUCATIONAL STATION WINS SCRAP WITH COMMERCIAL

The University of Illinois, which operates an educational station, WILL, at Urbana, Ill., won the first round of a scrap with a commercial station, WIBW, of Topeka, Kans., this week when Examiner Seward recommended that the Federal Communications Commission reaffirm its grant of an increase in power for WILL.

The Topeka Broadcasting Association, which is owned by Senator Arthur Capper's publications, protested against the original grant on the ground that it would impair the value of WIBW as an advertising medium. WILL sells no time. Owners of WIBW said that about $250,000 had been invested in the station and that a substantial audience had been built up among the farm population of the Middle West. Evidence offered indicated possible interference in the central part of Missouri and the southern part of Iowa.

Examiner Seward held, however, that WIBW failed to show that the increase of WILL's power from 250 watts to 1 KW, daytime, and a shift from 890 to 580 kc. "would curtail the advertising business of the protestant to any appreciable extent."

Denial of an application of WSYR-WSYU, Syracuse, N.Y. for an increase in power from 250 watts to 1 KW on 570 kc. was recommended by Examiner Walker while admitting that the extra service was needed. Granting of the application, he said, would further increase the over-quota condition of New York State.

X X X X X X X X X

SARNOFF FINDS U.S. STILL LEADS IN RADIO

Radio transmission and radio research in the United States are still well in advance of Europe's, despite recent progress there, David Sarnoff, President of the Radio Corporation of America, declared on his return to New York early in October after two months abroad. Mr. Sarnoff visited England, France, Belgium, Holland, Austria, Hungary, and Czecho Slovakia.

"I studied the technical developments in the important radio laboratories in Europe", he said, "and saw their latest television experiments. While interesting research work is being done along these lines in several European countries, the progress being made in our own country, is in advance of anything I saw abroad. America continues to lead the world in radio.

"There are three fundamental differences between radio in Europe and in the United States.

"First: European listeners are required to have a government license and must pay an annual fee for the privilege of listening.

"Second: The prices paid by the public for radio receiving sets and radio tubes, are very much higher abroad than they are at home.

"Third: Broadcast transmission in Europe, is generally a government monopoly and the radio programs are under strict governmental control and censorship. In England, the B.B.C., while government owned, is nevertheless permitted to exercise a measure of freedom; but in other European countries, especially where dictatorship is the order of the day, radio is primarily

used for propaganda purposes and to perpetuate the power of those in control. In such countries, no word of opposition to those in control may be uttered, nor may any difference with their opinions be expressed. It is significant that in countries where the freedom of radio is prohibited, the freedom of the press has likewise been abolished."

X X X X X X X X

REA CITES SCARCITY OF RADIOS ON THE FARM

The Rural Electrification Administration is going to help the radio industry sell more receivers to the farmers, it appears from a pamphlet issued by the REA on "What Every Farm Leader Should Know About Rural Electrification."

By means of an illustrated chart under the heading "Too Many Farms Are Behind The Times", the REA pamphlet shows eight radio tubes on the side of farms without radios and only two on the side of farms with sets. The tubes, a footnote explains, each represent 10 per cent of all farms.

All of which means that only 20 per cent of the farms of the nation are equipped with radio receivers. Yet the same chart shows that 60 per cent of the farms have cars and 35 percent have telephones.

X X X X X X X X

INDUSTRY NOTES

The Federal Communications Commission announced on October 2 that the time for filing reports required by Commission Order No. 13, requiring holding companies to file reports for 1934 with the FCC by October 15, has been extended 45 days due to a delay in printing the forms. The extension applies only to those companies required to file reports on Form H.

The City of Boston designated Stations WNAC and WAAB, of the Yankee Network, as official radio stations of the city, September 30. Mayor Mansfield placed at the side of The Yankee Network headquarters entrance a bronze plaque, bearing the device of the City of Boston.

X X X X X X X X

APPLICATIONS GRANTED BY FCC BROADCAST DIVISION

KMLB, Liner's Broadcasting Station, Inc., Monroe, La., CP to make changes in eqpt. and change method of modulation from low to high; WOOD, Kunsky-Trendle Broadcasting Corp., Grand Rapids, Mich., authority to install automatic frequency control; same for WXYZ, Detroit, Mich; WFBC, Greenville News-Piedmont Co., Greenville, S. C., Mod. of CP approving transmitter site at Piedmont Highway, U.S. 29, Greenville, S.C., extend commencement date to 30 days after grant and completion date to 180 days thereafter; WJAS, Pittsburgh Radio Supply House, Pittsburgh, Pa., Mod. of CP to extend completion date to Jan. 17/1936; WHN, Marcus Loew Booking Agency, New York City, renewal of license for the regular period; 1010 kc., 1 KW, unlimited; WROL, Stuart Broadcasting Corp., Knoxville, Tenn., license to cover CP authorizing changes in equipment and increase in day power to 250 watts.

Also WJAY, The Cleveland Radio Broadcasting Corp., Cleveland, Ohio, CP to install new equipment, move studio location locally and transmitter locally to site to be determined with Commission's approval; KINY, Edwin A. Kraft, d/b as Northwest Radio Advertising Co., Juneau, Alaska, Mod. of license to change name from Edwin A. Kraft, d/b as Northwest Radio Advertising Co. to Edwin A. Kraft; KSO, Cedar Rapids Broadcast Co., Des Moines, Ia., Mod. of CP approving transm. site locally extend commencement date to 60 days after grant and completion date to 180 days thereafter; KQV, KQV Broadcasting Co., Pittsburgh, Pa., Mod. of CP to extend completion date to Jan. 19,36; WTAQ, Gillette Rubber Co., Green Bay, Wis., consent to voluntary assignment of CP to WHBY, Inc.; WNYC, City of New York, Dept. of Plant & Structures, New York City, CP to move transmitter locally foot of Greenpoint Ave. and East River, Brooklyn, and make changes in antenna.

Also, New, Brown Radio Service & Lab. (Gordon P. Brown, Owner), Rochester, N. Y., CP amended, removed from hearing docket and granted, for new station to operate on 1210 kc., 100 watts daytime; New, Don Lee Broadcasting System, Portable-Mobile (Los Angeles) Granted CP (Temp.b/c Pickup); freqs. 1646, 2090, 2190, 2830 kc., 100 watts; KNEF, Radio Service Corp. of Utah, Portable-Mobile (Salt Lake City, Utah) license to cover CP (Temp. b/c pickup); freqs. 1646, 2090, 2830 kc., 200 watts; WOEG, General Electric Co., Portable-Mobile, Schenectady, N.Y., license to cover CP for temp. broadcast pickup service; freqs. 1606, 2020, 2102 and 2760 kc., 50 watts.

X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL—Not for Publication

INDEX TO ISSUE OF OCTOBER 8, 1935.

No. 866

October 8, 1935

FCC ISSUES RULES GOVERNING RADIOS ABOARD LIFEBOATS

Not many years ago the flashing of an S O S signal from an ocean-going vessel in distress was a novelty. Today it is an ordinary occurrence, just as the reception of the best in entertainment via the ether waves.

Unknown to the layman, however, considerable progress has been made in the engineering phases of radio communication aboard ships. An indication of the development was the order issued last week by the Federal Communications Commission governing installation of transmission equipment aboard motor-driven lifeboats.

No longer are radio transmitters aboard passenger-carrying vessels considered sufficient protection against the hazards of an ocean voyage. The Department of Commerce requires that power life-boats on ocean steam vessels of more than 2500 gross tons, carrying passengers, must have radio equipment if the ship's route takes it more than 200 miles from shore.

The FCC regulations, issued in compliance with the Commerce Department's order, states, among other more technical matters, that:

Radio installations on a motor lifeboat must be in proper operating condition at all times while the ship is under way.

The power of the transmitter must not be less than 75 watts.

The antenna shall consist of a single wire inverted L or T not less than 20 feet above the water line.

The receiver must have a frequency range at least 350 to 550 kc.

Whatever type of power supply is used, it must be sufficient to operate the entire radio equipment for a continuous period of at least six hours.

Care is advised in installation so that rough seas will not put the equipment out of operation.

Inspections and tests, similar to those required of the ship radio system, are applied to the lifeboat equipment.

Because the lifeboat radio apparatus will be more exposed to rough weather than the sheltered equipment aboard the ship, the FCC requires that storage batteries be mounted in cabinets which will provide protection against salt water spray and high seas.

Protection of the radio operator from the elements is also required when the lifeboat is afloat.

X X X X X X X X

ANOTHER PRESIDENT'S SON ENTERS THE RADIO INDUSTRY

Elliott Roosevelt, 27-year old son of the President, has quit the field of aviation for radio. Announcement was made last week that he had been named Vice-President in Charge of Sales Promotion for the Wouthwest Broadcasting System, which operates a chain of stations in Texas and Oklahoma.

Oddly enough, Herbert Hoover, Jr., while his father was in the White House, also entered the radio field though as a communications engineer for the Transcontinental and Western Air Line.

Young Roosevelt resigned as consultant of the Aeronautical Chamber of Commerce upon taking his new job. He will maintain headquarters in Fort Worth.

X X X X X X X X

MORE POWER RECOMMENDED FOR WSAR BY EXAMINER

An increase in power from 250 watts to 1 KW for WSAR, Fall River, Mass., was recommended last week by Examiner Dalberg in a report to the Federal Communications Commission. He found that the grant would not cause any interference with other outlets and would broaden the service area of WSAR.

Denial of a request for a construction permit to erect a new station for operation at Los Angeles on 820 kc. with 250 watts power, sharing time with WHAS, Louisville, was urged in a report filed by Examiner Seward. He said that serious interference would result, and that insufficient need was shown by the applicant.

X X X X X X X X

TELEVISION HELD DELAYED BY A.T.&T.-FCC SCRAP

Television has been shunted far into the future, by decision of the American Telephone and Telegraph Co. to delay indefinitely installation of the world's first coaxial cable, according to Newsdom. It continues:

"There can be no nationwide television, no pictures by radio, without the coaxial cable. There will be no coaxial cable, not even on an experimental basis, according to A. T. & T. officials, until the Federal Communications Commission relaxes its regulations. The Commission insists as firmly that its rules were fair, and that they would stand.

"The upshot of the clash not only was to defer actual television for many years, but to make impossible preliminary research on an actual television transmitting line.

"The coaxial cable in reality is a hollow brass pipe, sheathed in lead, carrying electrical impulses over a wider band than ever has been possible before. It is the only method by which television pictures can be piped overland long distances. The cable can be used, in addition, for carrying hundreds of telephone conversations and more hundreds of telegraph messages simultaneously.

"The cable was developed in the laboratories of the A. T. & T. and patented by the telephone company. It intended to install the first length of the cable between Philadelphia, headquarters of television research, and New York, center of artistic talent. The total cost, including experimentation, was to have been nearly $1,000,000.

"The Western Union and Postal Telegraph companies protested vigorously when the plans were revealed, but withdrew their objections when the A. T. & T. offered to erect the coaxial plant on a purely experimental basis.

"The Communications Commission then held a hearing last Spring, after which it was decided the cable could be laid, only if the A. T. & T. made it available to all television experimenters, competitors or otherwise.

"The effect of the decision, according to an FCC expert, was to void the coaxial patents and make the cable available to anyone, once it were constructed.

"Since then the A. T. & T. has made no move to install the line. An official said it did not intend to give away the fruits of its own labors to rivals."

X X X X X X X X

BAUER TAKES OATH AS FCC HEAD ATTORNEY

William H. Bayer took the oath of office October 5 as Head Attorney in the Law Department of the Federal Communications Commission. His salary will be $6,500 per annum. He has been employed as a specialist on patent cases for 13 years in the Department of Justice.

Mr. Bauer was born in Lowell, Ohio in 1888. After completing the public school courses in Ohio he came to Washington and attended the Bliss Electrical School at Takoma Park, Md., and then entered George Washington University where he was a student for some time. Then he attended Georgetown University where he received his LL.B degree, his LL.M. degree, and his Master of Patent Laws, the latter conferred on him in 1916-17.

In 1922 Mr. Bauer was employed by the Department of Justice as a patent attorney to handle electrical matters including radio. From 1922 to 1927 he prepared and prosecuted patent cases pertaining to radio and other electrical communication devices. He also served as government counsel in infringement cases before the Court of Claims. The subject matter in those cases included radio devices, such as condensers, transmitters and combined electrical mechanical equipment, such as gun-firing controls on U. S. battleships and torpedoes. For five years while employed by the Department of Justice Mr. Bauer also acted as legal adviser to the Navy Department in patent matters.

X X X X X X X X

ILLUSTRATED RADIO LECTURE TRIED IN SCHOOL

An innovation in educational methods, which will enable school pupils at widely scattered points to listen to illustrated radio lectures, was demonstrated privately this week in Philadelphia under the sponsorship of the Pennsylvania Arts and Sciences Society.

Daniel Garber, head of the faculty of the Pennsylvania Academy of the Fine Arts, broadcast from a studio of Station WIP a talk on some of the best known paintings by "later American artists" in the academy's possession. In another room an invited group of educators and leaders in the arts and sciences sat before a screen on which were projected, by means of slides, the pictures Mr. Garber was describing.

"Now take this work by Childe Hassam, for instance", the lecturer said.

The eyes of the spectators, who might just as well have been many miles away, followed the picture on the screen while the artist's voice directed them from one point to another.

X X X X X X X X

LOS ANGELES TIMES BUILDS MODERN BROADCASTING STUDIO

A thoroughly modern studio with the latest radio equipment has been installed by the Los Angeles Times in its clock tower. The Times, which has been broadcasting news reports four times daily, plans to expand its radio service to include interviews and varied entertainment.

"The two broadcasting rooms are located on the sixth floor of the clock tower of the new Times Building and have been specially sound-proofed to shut out outside noises and acoustically treated to give life-like and brilliant reproduction. The new broadcasting suite overlooks the modernistic auditorium which occupies a large part of the fifth floor in the new home of the 'Times'. Both the stage of the auditorium and the private banquet room on the same floor have been wired for radio so that programs originating in either place may be put on the air over Southern California radio stations by remote control lines connected with the 'Times.'"

X X X X X X

INDIA SEEKS BETTER BROADCAST FACILITIES

Seeking to bring about an improvement in radio broadcasting in India, the Government has recently engaged a radio expert on a five-year contract to supervise broadcasting services, according to a report to the Commerce Department from Trade Commissioner G. C. Howard, Calcutta.

This expert was formerly with the British Broadcasting Corporation and is to make his headquarters at Delhi. The principal problems before him are (1) the establishment of services in the vernacular for all India, allowing for the cultural and linguistic claims of each area; (2) to make short-wave services of Great Britain and Europe available by relaying these to Indian listeners as alternative programs; and (3) to interpret India to the world through the facilities that short-wave system will offer to listeners of other countries.

Two broadcasting stations are operated by the Government in Calcutta and Bombay. It is planned to build a new station at Delhi which when completed will be the most powerful in India. A new powerful station at Madras has also been sanctioned and it is anticipated that small stations will be established for village welfare work, the report states.

The expenditures of the Indian broadcasting stations are met by an allotment of a large portion of the import duty on radio sets and the license fees collected. The number of radio receiving sets in India has markedly increased in the last few years. During 1934-35 it is estimated that the total number of licenses issued reached 16,500 compared with 11,810 in the preceding year.

X X X X X X X X

N. Y. PAPERS NOT YET SOLD ON FACSIMILE RADIO

Despite published reports to the contrary, New York newspapers are not yet "sold" on installing radio facsimile transmission equipment, according to Editor & Publisher.

"Advances made to leading New York newspaper publishers by David Sarnoff, RCA President and Chairman of the Board of NBC, for immediate promotion of facsimile transmission of 36-page 8 x 11 newspapers has the publishers thinking - but not acting", the trade organ states.

"Efforts of Henry Kittridge Norton, executive assistant to Mr. Sarnoff, to sell the idea to the newspapers were interpreted this week by radio publications as if the publishers had actively taken the initiative and were anxiously awaiting Mr. Sarnoff's approval of their plans. Conversations with the men in question, however, revealed that Mr. Norton's services have so far been those of supersalesmen with publishers as unsold prospects.

"The conversations of the publishers with Mr. Norton have been pervaded with the feeling by the newspapermen that facsimile is a development which they do not want to get out of control, but at the same time they have not been satisfied with Mr. Sarnoff's efforts to show what facsimile has to offer the large metropolitan papers with many editions and blanket circulation, both morning and afternoon.

"Mr. Norton as Mr. Sarnoff's representative, has had continuing talks with Arthur Sulzberger, publisher of the New York Times; Karl Bickel, radio executive for Scripps-Howard; Howard Davis, Business Manager of the New York Herald-Tribune, and T. J. White, General Manager of Hearst Enterprises.

Originally Mr. Norton presented a detailed plan in which the Times and the Sun, the World-Telegram and the Herald Tribune, the American and the Journal were to team up and share the ether, 'publishing' nearly 24 hours a day. Publication would consist of placing in 25,000 homes a facsimile receiver which receives a radio beam and transforms it into a facsimile newspaper, silently and continuously delivered into the home. A stylus would be actuated by the present radio equipment and the cost to the subscriber would be about $8 a month and the cost to the newspapers, $3 in addition for each set, a total of $75,000 for a month."

X X X X X X X X X

AMATEURS CREATE RELIEF PROBLEM IN NEW YORK

The large number of young persons who are flocking to New York in the hope of taking part in the amateur programs broadcast by numerous radio stations and who soon find themselves stranded in New York, is presenting a perplexing problem to the Emergency Relief Bureau, according to the New York Times.

The records of the Emergency Relief Bureau show that some 300 of these out-of-town seekers for radio fame weekly find themselves destitute in New York City and without prospect of earning a livelihood. The Emergency Relief Bureau's problem is serious in view of the fact that transiet relief may be cut off at any time.

"Weekly amateur programs offered by radio stations lure ambitious young persons from all over the country with small monetary prizes for winners and in some cases a week's engagement at one of the local theatres", the Times reports. "The Emergency Relief Bureau has found that few of the amateurs, even the winners, are able to obtain steady employment. The bureau has laid the situation before Major Edward Bowes as the originator of the amateur hour. "He disclaimed any responsibility for the influx of young persons aspiring to appear in radio programs.

"'We are very particular that nobody except residents of New York City shall appear in our amateur programs', said Major Bowes. 'I announce at every weekly program that only local residents are eligible.

"'However, every radio station in the United States now has an amateur hour and I don't want to be blamed for the silly things others do. Many of the stations invite persons from out of town to appear in their amateur programs. Others send for them. Many of these people, when stranded in New York City, come crying into my office. But I adhere to the rule that we give an audition only to residents of New York City. I was criticized recently because I refused to give a hearing to two blind young men who came here seeking to appear in an amateur program.'"

X X X X X X X X X X

BRITISH ADD 28,000 RADIOS IN ONE MONTH

Over 28.000 new radio licenses were taken out in the United Kingdom during August. Approximately 289,105 licenses were issued by the Post Office during August, representing a net increase of 28,787 in the number of license holders during the month, after making allowance for expired licenses and renewals. The total number of licenses in force at the end of last month was 7,175,116, compared with 6,428,961 at the end of August 1934, an increase of 746,155.

X X X X X X X

N. Y. TIMES NOTES "SMALL BOOM" IN RADIO

Cinfirming previous reports from all factions in the radio industry, Orrin E. Dunlap, Jr., Radio Editor of the New York Times, on October 6 devoted two columns to the "boom" in the industry. He said in part:

"Radio industrialists are happier than they have been since the days before their business hit rock bottom in March, 1931. At present they are enjoying what is described as 'a small boom', which has all the ear-marks of spreading over into 1936 as a real boom. There are no labor troubles, no strikes, no overproduction. Wage scales are in general reported to be higher than in the Blue Eagle days. Capital and labor are both benefiting from the gains.

"Having swung into the final quarter of 1935, plans for 1936 are beginning to take shape. The outlook is bright. There are several reasons for optimism.

"A Presidential campaign always gives impetus to the radio business. On top of that, the radio men are inclined to believe Jim Braddock and Joe Louis will confront each other under the glare of a roped arena. A championship fight always spurs the radio business; it has never failed since the memorable 'battle of a century' between Jack Dempsey and Georges Carpentier at Boyle's Thirty Acres, July 2, 1921. That was the first fight broadcast. It gave the radio industry a grand push when it needed some such event to start it on the way.

"'Right now factories are busiest since 1930', said Bond Geddes, Executive Vice-President of the Radio Manufacturers' Association. 'The public is buying. There are now 50,000 factory employees, compared with a normal of 40,000. Sales are 20 per cent ahead of last year and it seems safe to believe that the total number of sets sold in 1935 will cross the five-million mark.

"Automobile sets made their appearance about five years ago. Many in the industry were skeptical that radio could 'pave the highways with melody', but it has and, according to the statistics of the Radio Manufacturers' Association, it is believed 1,250,000 automotive radios will be sold in 1935. This compares with about 700,000 auto radios in 1934.

"Farmers are buying radios. The majority of manufacturers report increased activity in this market. Turn-ins on new sets reveal many of the rural residents have not acquired new radios for ten years. It is believed that thousands during the depression never charged the batteries once they ran down. But now with windmill devices for automatic recharging,

new low consumption tubes and improved batteries, the rural sections are casting aside the obsolete apparatus. Increased purchasing power is the real cause of revival. There are trade estimates that the farm market this year will absorb at least 700,000 new radio sets."

X X X X X X X X X X

PAYNE SAYS EDUCATORS ARE DISSATISFIED

After a poll of 200 of the country's leading educators and bar association presidents, George Henry Payne, member of the Federal Communications Commission, declared this week there is widespread conviction that radio has not met its responsibilities as a medium for the spread of culture, and that broadcasting is in need of a thorough house-cleaning, according to Editor & Publisher.

His unofficial poll has been in progress for less than one month, but already has brought more than a 50 per cent response. Comments continue to come and the final number of replies is likely to be much closer to 100 per cent.

Copies of a speech delivered by Commissioner Payne, August 21 to a gathering of agricultural paper editors at Cornell University, Ithaca, N. Y., were sent to representative educators and to lawyers' organizations, to serve as a basis for their written observations. In the speech the Commissioner took broadcasters to task for the poor quality of programs, criticized the commercialization of radio entertainment, and contrasted the positions occupied by broadcasters on the one hand, and newspapers on the other.

X X X X X X X X X X

A.C.L.U. STUDYING RADIO COMPLAINTS

"Legislation to force the Federal Communications Commission to make public any complaints it gets against alleged radio censorship will be introduced in the next session of Congress", according to Variety. Backing the move is the American Civil Liberties Union, which claims the FCC buries complaints in its files without allowing anyone to get a glimpse of them.

"In connection with that and other proposed legislation, the A.C.L.U. is having one of its research attorneys, make a field study of radio censorship cases. Will be ready by the end of the year for pamphlet form. Exactly what the study will contain, and whether radio will be damned or whitewashed, is not certain because the study is still incomplete."

X X X X X X X X

INDUSTRY NOTES

The British Broadcasting Corporation has appointed Felix Greene as permanent representative in North America, with headquarters in New York, to facilitate negotiations with broadcasting organizations in the United States and Canada. NBC and CBS recently sent similar representatives to London.

The Telegraph Division of the Federal Communications Commission has issued technical requirements for radio equipment aboard lifeboats on ocean vessels of more than 2500 gross tons. The order is labelled Rule 281½.

It is rumored that a son of John D. Rockefeller, jr., is preparing to publish a new radio magazine, of which Curtis Mitchell, formerly with "Radio Stars Magazine", will be editor.

Installation of two-way permanent lines between stations of the Mutual Broadcasting System was completed and placed in use on October 6.

Misrepresentation in the sale of drug products is prohibited in a cease and desist order issued by the Federal Trade Commission against Frank A. Scervini, of 100 Fifth Avenue, New York City, trading as the F. & S. Manufacturing Co. Scervini is ordered to stop advertising himself, by radio or otherwise, as a manufacturer of pharmaceutical and druggist supplies, including gelatin capsules containing various medical compounds, until he owns and controls a factory in which these products are made.

Transradio Press claims to have beaten the press services on the actual invasion of Ethiopian territory by the Italians. The flash was carried by Transradio circuits at 3:03 A.M. Tuesday, October 1.

Along with several stations, two more newspapers with stations have subscribed to Transradio Press Service, according to Herbert Moore, President of Transradio. They are the Tampa Times, which has a joint arrangement but will use it only for

its station, WDAE, and the Roanoke Times and World-News which will use Transradio over its WDBJ.

Curt Peterson, for the past four years Assistant Program Manager of the National Broadcasting Company in New York, has resigned from that post to become Director of Radio for the Marschalk and Pratt advertising agency of New York City. Peterson will have complete charge of all radio activities for the agency, reorganizing and expanding the radio department in line with the agency's growing list of air accounts. His resignation becomes effective October 21, and he will assume his new duties immediately thereafter.

August returns of Great Britain's radio trade show a favorable balance of £37,331, according to statisticts issued by the Department of Overseas Trade, London. This compares with an adverse balance of £26,889 in the same month last year. Increases in exports were partly accounted for by the shipment of transmitting apparatus to British India, and of valves and components to South Africa, Australia, Canada, and New Zealand. Radiograms were exported largely to South Africa. Imports of components from Canada during themonth amounted to £1,299.

X X X X X X X X

ZENITH REPORTS $65,422 PROFIT FOR QUARTER

Zenith Radio Corporation had a net operating profit for the quarter ended July 31, 1935, of $65,422,46 after all charge-offs, including liberal depreciation, excise taxes and royalties but before Federal profit taxes from which the total mentioned above was prepared, according to Hugh Robertson, Vice-President and Treasurer.

The company, a pioneer in short wave reception announced in June a new line of standard electric sets and a line of farm home receivers. Production and shipments were the largest in the months of July and August this year of any July and August in the history of its business, both in units and dollars of sale. Production for the month of July exceeded that of any previous month in the company's history by 34 percent. This record was again exceeded in the month of August.

Shipments in September showed an increase over July and August and the company already has substantial orders on hand from its distributors for October delivery.

X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL—Not for Publication

INDEX TO ISSUE OF OCTOBER 11, 1935

No. 867

PROGRAM CENSORSHIP BY FCC AGAIN RISES AS AN ISSUE

While the right of the Federal Government to censor broadcasting programs has been the subject of debate ever since the establishment of the Federal Radio Commission, it has recently developed into a serious issue as the Federal Communications Commission threatens stations with cancellation of licenses.

With such Republicans as Senator Schall, of Minnesota, periodically charging that the New Deal is attempting to control both the press and the broadcasting stations of the country, the FCC is being watched closely for any missteps that may put it on the Congressional carpet.

The Communications Commission is between the devil and the deep blue sea in the matter as failure to censor offensive programs brings protests from organized educators, politicians, and often listeners, whereas too strict a control of broadcasting content arouses cries from those who, sincerely or otherwise, fear destruction of "freedom of the air".

So far the Commission's censorship of programs has been confined largely to the type of sponsorship. Their guns have been directed against questionable medical advertising.

Temporary licenses were issued recently to a score of stations on request of the FCC Legal Department, which wanted to consult the Federal Trade Commission and the Food and Drug Administration.

Some of these stations, it was learned, were under scrutiny because they carried programs sponsored by the Congoin Co., marketers of herb tea, of Los Angeles. This company was cited in a fraud order issued late in September by the Post Office Department.

Twenty-one stations were cited earlier in the Summer for carrying programs sponsored by producers of Marmola (an anti-fat remedy), but 17 were subsequently released after they had dropped the account. A fourth, KMBC, of Kansas City, Mo., was likewise cleared later on the same grounds, and a hearing was to be held this week on the three pending cases.

Judge E. O. Sykes, Chairman of the Broadcast Division of the Commission, has meanwhile been conferring with representatives of the Federal Trade Commission and the Food and Drug Administration in an effort to work out a liason for more rigid control of advertising over the air.

Just how far this control may be extended over program types irrespective of sponsorship is a subject for speculation.

The American Bar Association's Committee on Communications recently took cognizance of the issue in a report which stated:

"It has always been recognized that there is an inevitable conflict between the censorship provision of the law and the Commission's established policy of interpreting 'public convenience, necessity, and interest' broadly enough to include consideration of program service. The proposal of the Commission for a conference, under its direction, on the subject of programs indicates a tendency to extend this interpretation still further. It may, therefore, be confidently expected that the issue of indirect government censorship of broadcasting will take a more conspicuous place than ever before in the deliberations of the next session of Congress, and may even result in legislative action."

A statement by Anning S. Prall, Chairman of the Communications Commission, during a recent address, that the "editor of the air . . . has a distinct responsibility to his auditors . . . like the editor of the press" brought an immediate protest from David Lawrence, editor of the United States News. He said:

"Nowhere in the law can there be found warrant for the statement that in what the broadcaster 'publishes' he is obliged 'to comply with the mandate of serving public interest, convenience, and necessity.' If there were a 'mandate', who, in a politically partisan administration, is to make the rules or issue the instructions. To issue them means censorship - the route to repression as practised today in fascist Germany and in fascist Italy."

The National Committee on Education by Radio, in calling attention to the increasing controversy over the censorship issue, cited the Communications Act of 1934, Section 307(a) in support of the Commission's position. The section reads:

"The Commission, if public convenience, interest, or necessity will be served thereby, subject to the limitations of this Act, shall grant to any applicant therefor a station license provided for by this Act."

The Committee then comments as follows:

"Those conversant with the early history of radio will realize that the establishment of a licensing authority became necessary to eliminate the chaos which developed. The desire of large numbers of individuals and organizations to operate stations, coupled with the physical limitations to the number of stations which could be operated, made it necessary to establish the

Federal Radio Commission. In order to protect the public against unnecessary stations as well as those whose programs did not serve the best interests of the public, the standard of 'public convenience, interest, or necessity' was made the basis for the Commission's power. How would the Commission allocate the relatively few available broadcasting frequencies among the myriad of applicants without considering their past conduct?

"Obviously, according to some definitions, this might be considered as censorship. However, it is not censorship in advance, but is in reality a necessary measure of the ability of the applicant to interpret 'public interest, convenience, and necessity' in an acceptable manner. While most of us may deplore the fact that complete freedom of speech by radio is impossible, we still believe that the differences between the newspaper and the radio are so great, both as to the number possible and the amount which each one can publish, that to expect the radio to parallel the press in every respect would be to attempt to abrogate the laws of science."

X X X X X X X X X

FRENCH GOVERNMENT "LISTENS IN" ON THE WORLD OF RADIO

Not to be caught napping over any developments either in world news or technical improvements in radio broadcasting, the French Government has installed a listening station at Bicetre, just south of Paris, with cable connections to the French Ministry.

Assistant Trade Commissioner Lestrade Brown, of Paris, explains the move thus:

"By the new device it is proposed to 'control' all kinds of news and information by wireless by speedy transmission to the Ministry where, in a specially fitted room, girls having a knowledge of shorthand and of at least three important languages and equipped with earphones and silent typewriters 'take down' whatever is signalled as sufficiently important. It is claimed that an account of any important news or statement can be placed before the Minister within 25 minutes of its reception at Bicetre. The system is not to be used only for political affairs, a sharp look-out for any information bearing on the improvement of wireless generally will be kept. One of the other casements will be used for listening to foreign musical programs, as well as for the control of French broadcasting generally, while the third will be partly used by the staff and partly as a special listening cell for the Minister himself on important occasions."

X X X X X X X X X X

WAR FLASHES FOCUS SPOTLIGHT ON BROADENED NEWS SERVICE

The Italo-Ethiopian War, while far removed geographically from the United States, is bringing out developments in the broadcasting of spot news almost over-night.

The public demand for latest news on the advance of Mussolini's army in Africa have caused broadcastimg stations the country over to broaden their news services to include frequent flashes in addition to periodical bulletins throughout the day. Commentators at night give summaries and round-ups.

While the breaking away from the Press-Radio Bureau set-up, established as a compromise plan to end a war between newspapers and broadcasting stations, has been apparent for several months, it has become more pronounced since radio took over the job of "covering" the Italo-Ethiopian war.

Variety reports from New York that the war news service "has served to administer the death blow to the rules and regulations prescribed by the newspaper clan for newscasting."

The Press-Radio Bureau is given a lease on life until April by Newsdom, which observes "the growing indications that the Press-Radio Bureau is about to fold up and silently depart the business channels of newscasting."

Stations are buying additional news services in increasing numbers from United Press, International News, and Transradio. A survey conducted by a major advertising agency in September disclosed that some 400 stations are broadcasting news reports daily, and that 320 of these have sponsors.

The Associated Press was unofficially reported to have decided at its last directors' meeting to resume the policy of allowing members to broadcast news through stations which they owned or in which they have an interest. At the same time the A.P. reaffirmed its ban on using its news service for commercial broadcasts.

As news broadcasts grow in public interest, advertisers naturally turn to them as to the newspapers themselves. Besides the numerous local advertisers who are hooked up with newscasting, the following national advertisers are affiliated with spot news broadcasts:

Standard Oil of N. J. (Esso); Continental Baking Co., R. C. Remedies, Sun Oil, Texaco (Montana); Alka Seltzer (West Coast); Mennen's Shaving Products; Davis Baking Powder; Eisenlar Cigars; Williamsomatic Oil Stove; Houshold Finance; Crazy Crystals.

X X X X X X X X X X

COUNSEL ARGUE PLEA OF MILWAUKEE JOURNAL FOR SECOND STATION

The Broadcast Division of the Federal Communications Commission on October 10 listened to arguments for and against granting an application of the Milwaukee Journal to establish a second regional station to supplement WTMJ. Denial of the application had been recommended by Examiner Hyde.

Ben Fisher, counsel for the Journal, told the Commission that 125 small advertisers who were unable to pay the higher rates of existing stations stood ready to take time on the proposed station, which would operate with 1 KW on 1010 kc. Civic and religious groups also wanted an outlet, he said. He also pointed out that Wisconsin is under-quota and has no clear channel.

As counsel for five other stations objecting to the grant, George Strong and Horace Lohnes argued that the new station would cut in on their own service. The stations are WHOX, Knoxville; WHN, New York; WHO, Davenport, Ia.; KGGF, Coffeyville, Kans.; and WCFL, Chicago.

X X X X X X X X

FAR REACHING POSSIBILITIES SEEN IN BRITISH WAR SANCTION

American broadcasters, as well as those in foreign countries, took a personal interest in the Italo-Ethiopian war this week when Great Britain utilized radio censorship to impose its first sanction on Italy.

The British Government's action in shutting off a broadcast intended by Il Duce's envoy at Geneva for the ears of an American radio audience was unprecedented in international diplomacy. It was a revelation of the latent power in radio as an instrument of international propaganda.

Baron Aloisi was standing at the microphone to broadcast his message to the United States via short-wave stations in England and the RCA station on Long Island when the British Post Office Department refused to relay the address. He was to have engaged in a chatty dialogue with Edgar Mowrer, United States newspaper man.

Columbia Broadcasting System officials knew nothing of the cancellation until informed by RCA engineers that the expected broadcast could not be picked up from the BBC station. They recalled that the Ethiopian side of the controversy was broadcast a few nights earlier without interference.

It was recalled that some weeks before the Italo-Ethiopian war actually began, England protested to the Italian Government against anti-British broadcasts over Italian local stations.

X X X X X X X X

NBC ASKS PERMIT TO SELL RECORDED PROGRAMS OVER CONTINENT

American listeners with all-wave sets may shortly be surprised to hear American programs when they tune in Mexican or Canadian stations. The National Broadcasting Company has applied to the Federal Communications Commission for permission to supply programs recorded in this country to stations in Canada, Mexico, Cuba, and Puerto Rico, as well as in the United States. The programs would consist of music. drama and educational and entertainment features, the application states, and would be both sponsored and sustaining.

A hint of new kinds of recordings is given when the NBC states that it wants permission to use cylinders, metal or translucent film, or other media, as well as electrical transcriptions. The recording would be done by the Radio Corporation of America.

The programs would be produced wherever NBC has outlets, if the Commission approves, and would be rushed to clients via both train and airplane.

X X X X X X X X X X

RADIO EXPORTS INCREASE SHARPLY IN AUGUST

American radio exports during August, 1935, increased sharply over recent months and for the first time since last March passed a total of two million dollars, according to the Radio Manufacturers' Association. The increased exports were principally in sets and parts, but American tube sales continue to show a loss in the foreign field as compared with 1934.

The August 1935 report of the U. S. Bureau of Foreign & Domestic Commerce reported total radio exports of $2,051,579, compared with $2,040,412 in August 1934.

During August 1935 there were exported 44,896 receiving sets, valued at $1,167,141, as compared with 41,067 sets, valued at $1,096,674 in August 1934.

Exports of receiving tubes during August 1935 were 515,653, valued at $223,010, as against 625,719 tubes, valued at $306,865 in August 1934.

Exports of receiving set components during August 1935 were $449,990, compared with $422,901 in August 1934.

There were 12,511 loud speakers valued at $34,349 exported in August 1935, compared with 7,968 valued at $22,751 in Aug.1934

August exports of other radio accessories were $37,319 against 64,982 in August 1934, and there were exports in August 1935 of $139,770 in transmitting apparatus against $126,239 in August 1934.

X X X X X X X X

BRITISH HAVE NO PLAN FOR TELEVISION SERVICE TO EMPIRE

Although the British Broadcasting Corporation is taking the lead in bringing television to the public, it has no immediate intention of providing the service to the British Empire on a scale comparable to broadcasting.

Explaining its plan for television, the BBC says:

"In response to inquiries as to whether there is any likelihood of an Empire Television Service being provided, the BBC states that there are no plans for a television service to the Empire. Since such inquiries probably result from the inherent necessity of transmitting high-definition television on short wavelengths, the BBC thinks it may clarify the position to point out that the transmission of high-definition television necessitates that use of a very wide frequency band (more than ten times that required for sound broadcasting), which it is only practicable to obtain on wavelengths below 10 metres - much shorter than those which can be used for the Empire Service. The wavebands in which the Empire Service channels are allotted are already fully occupied with transmitters separated from each other by about 10 kcs.

"An ultra-short wavelength of about seven metres will be used for the proposed experimental high-definition television service to London. As envisaged in the 'Report of the Television Committee', which was presented to Parliament by the Postmaster-General in January, this service will be in the nature of a public experiment and the radius covered is not expected to be more than about twenty-five miles."

X X X X X X X X

NEW STATION IS RECOMMENDED FOR SCHENECTADY, N.Y.

A permit to erect a new broadcasting station at Schenectady, N. Y., for operation on 1240 kc., with 1 KW power and unlimited time, was recommended to the Federal Communications Commission this week by Examiner P. W. Seward.

The Knox Broadcasting Company, which filed the application proposed to spend $47,097 in installing the station. A survey has uncovered 29½ hours of advertising time a week ready to go on the station. James E. Knox is President of the company and owns 50½ per cent of the stock.

Examiner Seward held that a need for the service exists and that the applicant is qualified to meet it. He suggested that protests may be filed by the following stations: WNBF, Binghamton, N.Y., which is applying for 1240 kc.,frequency; and WNEW, Newark, N. J.

X X X X X X X X

WALKER WARNS PHONE INDUSTRY OF POSSIBLE GOVERNMENT OPERATION

The telephone industry was warned by Paul A. Walker, Chairman of the Telephone Division of the Federal Communications Commission on October 10 that it is "performing a function which could be exercised by the State itself" and advised that "the best results of telephone management and control can be achieved through a frank recognition by both the utility managements and the regulating commissions of the trusteeship in the utility for the public."

Walker's address, made before the United States Independent Telephone Association in Chicago, was considered significant in view of the FCC's contemplated American Telephone & Telegraph Company inquiry.

Highlights of his address follow:

"As a utility commissioner, with both State and Federal Commission experience, my conception of the office of a utility regulating commissioner is that it should function primarily in the public behalf, and most certainly for the assistance of the patrons of the utilities regulated. Experience has shown that this conception of the office, broadly interpreted and judiciously executed, works to the best interests of both the patrons of the utility and the utility itself.

"Those who claim to be the owners and operators of communication and the telephone industry are after all in the broader sense of the word merely trustees in a great public utility enterprise.

"Those in control of utilities must not overlook the vast contributions by the public to the utilities in the form of free use of public property, of local protection, and of the assignment of the sovereign right of eminent domain. These and other contributions made and privileges granted by the public through the government place upon the utility directors and managers an essential function of the State, and one which the State itself would carry on if private enterprise were not available for performing these services.

"Individual research and experimentation must be encouraged to guarantee improvement and development of the telephone industry. This can be possible only when free competition is preserved. If any single industry is to get a strangle hold on the communications field, the opportunities for constructive research and experimentation will be lessened.

"Just recently the Federal Communications Commission granted permission for the construction of a coaxial cable between New York and Philadelphia. The permission was given, however, with the understanding that the cable should be accessible to all reliable persons interested in experimentation,

upon reasonable terms, the Commission having in mind particularly television and such regulation as might prevent any one company gaining a complete monopoly in that field. This case may possibly also furnish an interesting experiment in testing the willingness and sincerity of cooperation with governmental regulation.

"While the telephone industry lends itself to a natural monopoly, in that duplication of telephones in the same residence or business house generally proves an inconvenience and added expense, nevertheless that healthy competition furnished by the Independent telephones through the establishment and maintenance of plants in communities within or adjacent to those operated by the larger systems has had a healthy effect on the telephone industry and has immensely aided its development and its progress.

"No system of regulation can ever supply the incentive to development and advancement which can be furnished by healthy competition through the Independent telephone plants and the Independent manufacturers of telephone equipment. Therefore, I am glad to add what encouragement I can to the Independent telephone industry, including both the plants which render telephone service and the plants which develop and manufacture telephone equipment.

"The point I hope to stress and to leave with you for your thought and for your helpful cooperation is the proper attitude of the regulating and operating agencies toward the public and the mutual duty to serve the public, to the end that the greatest good for the greatest number may be accomplished.

"Communication is just in its infancy. Telephone usage, so far as long distance is concerned, is but a small fraction of what it should be. Statistics showing the average number of toll calls originating per month for the year 1934 for the Class A and B companies reporting to the Federal Communications Commission to be about one toll call for every two persons per month reflect, in my opinion, a woefully inadequate use and utilization of the long distance telephine, and the failure to talk over these long distance wires more frequency cannot be charged to the telephone users. Something must be done to bring lond distance service within the daily reach of the average person. That something is the problem primarily for the telephone industry. Lower charges and more nearly uniform charges may be possible answer to the question. The fact remains that so long as long distance communication is so expensive a large part of the public must be denied its use. This is an undesirable condition and one which demands the most earnest consideration of both the telephone industry and those who are charged with its regulation."

X X X X X X X X

INDUSTRY NOTES

The National Broadcasting Company has set up two groups of stations for the southern Ohio-Indiana coverage, effective November 1, because WLW has been unable to handle certain NBC commercial accounts. The two groups are Basic Group A, consisting of WLW or WSAI, and Basic Group B, consisting of WCKY, WHIO and WIRE. Either may be used by the Red or Blue NBC networks.

Three Philadelphia stations have recognized the American Telegraphists Association, Inc., of New York, which is seeking to unionize local radio stations and to supplant company unions. They are WDAS, WPEN, and WRAX.

The Texaco Company has signed up a unique radio program. For 13 weeks it will sponsor broadcasts from the Hippodrome Theater every Tuesday. "Jumbo" will be played twice daily every other day for public admission.

The 16th anniversary of the Radio Corporation of America was to be marked Sunday, October 13, with special broadcasts over an NBC-WEAF hookup from Addis Ababa, Berlin, New York, and Hollywood. The program is scheduled for 2 to 3 P.M.EST.

X X X X X X X X X X

27 EXECUTIVES CLEARED OF DUAL JOBS BY FCC RULING

The Federal Communications Commission late this week announced the names of 27 executives in the communications field that it had found are "not seeking to hold positions as officer or director in more than one carrier" subject to the Communications Act of 1934. They are:

James F. Behan, Louis Corner, Jr., David C. Cox, Manton Davis, W. J. Dodge, Charles de Y. Elkus, Robert F. Estabrook, G. B. Foscue, James G. Harbord, Nathan Hayward, Albert R. Henry, Legrand W. Howell, Leonard H. Kinnard, Wilbert Ernest Macfarlane, Fred E. Meinholtz, R. D. Miller, Joseph Pierson, William A. Prince, Ben S. Read, E. Charles Ryan, Arthur B. Tuttle, Phil M. Watson, John H. Wharton, William A. Winterbottom, Fred H. Wirths, William T. Wood, George J. Yundt.

The Commission found the following have died since filing applications: A. D. Burke, Richard D. Gilliam, B. L. Kilgour and Austin Y. Tuel.

X X X X X X X X

RCA EXECUTIVES NOTE UPTURN IN RADIO INDUSTRY

"What is ahead of American industry is more important than what is behind it", said David Sarnoff, President of the Radio Corporation, in speaking to more than 1500 radio dealers of the New York and New Jersey areas last Wednesday night at the Waldorf-Astoria Hotel, New York City.

Research, in which the United States is leading the world, is paving the way for the industrial revival, Mr. Sarnoff asserted. Signs of the upturn already are visible in the radio industry and others.

E. T. Cunningham, President of the RCA Manufacturing Company, also spoke briefly and Gen. James G. Harbord, Chairman of the Board of RCA, was introduced from the speakers' table. The dinner was sponsored jointly by Bruno-New York and Krich-Radisco, wholesale distributors for RCA, and the RCA Manufacturing Co. to celebrate the success of the new line of RCA radio receivers and tubes. It was devoted primarily to entertainment.

X X X X X X X X X

APPLICATIONS GRANTED BY FCC BROADCAST DIVISION

WIBA, Badger Broadcasting Co., Inc., Madison, Wis., CP to make changes in eqpt. install new antenna system and increase power to 1 KW night, 5 KW day; WDZ, James L. Bush, Tuscola, Ill., Mod. of CP approving antenna and transmitter sites 1½ mi. north of Tuscola, extend commencement date to 30 days after grant and completion date to 180 days thereafter; WJW, WJW, Inc., Akron, Ohio, license to cover CP authorizing installation of new eqpt. and increasing day power to 250 watts, 1210 kc., 100 watts night; KIUN, Jack W. Hawkins & Barner H. Hubbs, Pecoa, Texas, license to cover CP, 1420 kc., 100 w. unltd. time; WLBF, WLBG Broadcasting Co. Kansas City, Kans., license to cover CP, 1420 kc., 100 watts, unltd. time; WKAQ, Radio Corp. of Porto Rico, San Juan, P.R., CP to move transmitter locally and make changes in antenna.

Also, WNBZ, d/b as Smith & Mace, Saranac Lake, N.Y., license to cover CP authorizing changes in eqpt. and increase in day power to 100 watts, 1290 kc., daytime hours; KALB, Alexandria Brdcstg. Co., Inc., Alexandria, La., license to cover CP, 1420 kc. 100 watts daytime; KELD, T. H. Barton, El Dorado, Ark., license to cover CP, 1370 kc., 100 watts, unltd; WTAW, Agr. & Mech. College of Texas College Station, Tex., Mod. of Lic. to make changes in specified hours; WLEZ, The Norfolk Daily News (Portable), Norfolk, Neb., Mod. of Lic. (Temp. B/c pickup), to add freqs. 1622, 2060, 2790 kc.; WCBA, B. Bryan Musselman, Allentown, Pa., Mod. of lic. to increase power from 250 watts to 500 watts for auxiliary transmitter; WSAN, WSAN, Inc., Allentown, Pa., Mod. of Lic. to increase power of auxiliary transm. from 250 w. to 500 watts for auxiliary transm.; WEED, William Avera Wynne, Rocky Mount, N. C., Mod. of Lic. to change studio location to just outside of Rocky Mount.

X X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF OCTOBER 15, 1935

No. 868

October 15, 1935.

U. S. TAKES LEAD TRYING TO SOLVE RADIO FADING

The mysterious fading on high frequencies which has been the cause of so much annoyance to short-wave listeners during the past six months, has assumed such proportions that Dr. J. H. Dellinger, in charge of the radio laboratories of the U. S. Bureau of Standards, in Washington, has asked the broadcasters and listeners throughout the United States to report to him personally any unusual fading or atmospheric inconsistencies. Dr. Dellinger especially requests that there be a close observance of air conditions between Monday, October 21st, and Friday, October 25th, at which time he figures the next general upset will take place.

A record which the Government has been keeping since last March shows that the disturbance in the atmosphere has repeated itself with regularity occurring about every 53 days, which, roughly, is seven weeks. The sun is strongly suspected of having something to do with it inasmuch as the intervals of disturbance are separated in time by twice the sun's rotation period.

"It involves all high frequency radio transmission over the illuminated path of the globe and not the dark path", Dr. Dellinger explained. "The radio evidence of the phenomenon is a sudden disappearance of high frequency, long distance radio signals for several minutes, the complete process of fading out and reappearing occupying about 15 minutes."

That something unusual has been going on in the air has been the cause of much speculation among most broadcasters and listeners in the short-wave band. This has been particularly noticeable on the English and German transmissions which ordinarily are highly satisfactory but have faded and disappeared completely on occasions resulting in very poor reception at times during the past six months. Thus any explanation which the Government experts may have to offer as a result of their observations will be eagerly awaited by both the industry and the listeners.

X X X X X X X X

NEW 100-WATTER RECOMMENDED FOR DETROIT SUBURB

Favorable recommendation has been made to the Federal Communications Commission by P. W. Seward, Examiner, on the application of the Wayne Broadcasting Company, to construct a new 100-watt station, 1370 kc., daytime hours of operation only, at Hamtramck, Mich., situated within the incorporated limits of Detroit.

The Wayne Broadcasting Company is a co-partnership composed of Henry Lewandowski, Anton Lewandowski, Zigmund Lewandowski and Edmund Meurer, who reside in Hamtramck and Detroit. The three partners first named are now engaged in a partnership in the publication of a weekly newspaper and in the job and commercial printing business.

The financial statement introduced by the three Lewandowski Brothers shows $8,500.00 cash on hand with total assets estimated at $46,715,70. The printing business which they conduct produces approximately $15,000.00 a year net income, equally distributed between the three. Financial statement introduced by the partner, Meurer, also engaged in the printing business, shows $2,000.00 cash, $1,300.00 liquid assets, with total assets estimated at $17,000.00. Cash and liquid assets of all partners, available for the establishment of the proposed station, are $11,800.00.

Station WSPD, at Toledo, Ohio, is 52 miles from Hamtramck and the recommended separation is 91 miles. This station operates on 1240 kc, 1 KW night and 2.5 KW until local sunset. Station WHK, at Cleveland, Ohio, is 93 miles from Hamtramck and the recommended separation is 104. This station operates on the frequency of 1390 kc. with 1 KW night and 2.5 KW until local sunset.

"In the case of these two stations, that is WSPD and WHK, due to the nature of the intervening terrain, the conductivity which is known to exist in this territory and the fact that the stations are operating on adjacent channels, it is not expected that serious or objectionable interference would result if this application (Wayne Broadcasting Co.) be granted", the Examiner reports.

"Station WSPD, at Toledo, Ohio, has an application to increase day power to 5 kilowatts. The actual separation is 52 miles and the recommended separation for such operation would be 108 miles. Because of the conductivity and the frequency separation, it is not expected that objectionable interference would result in case both applications be granted."

X X X X X X X X X X X

PHILCO APPLIES FOR TELEVISION FREQUENCY

The Philco Radio & Television Corporation, of Philadelphia, has applied to the Federal Communications Commission for a construction permit for a new special experimental station to be operated on 4200-56000, 60000-86000 kc., 250 watts.

It is presumed that this is in anticipation of the completion of the experimental coaxial cable which the American Telephone & Telegraph Company expects to lay down between New York and Philadelphia the principal purpose of which is to transmit television images. Both Philco and the Radio Corporation of America are said to be making elaborate preparations to participate in these television-coaxial cable experiments.

The Philadelphia Storage Battery Company has also asked the Commission that its radio station license W3XE be assigned hereafter to the Philco Radio & Television Corporation.

X X X X X X X X X X

NEWSPAPER ADVERTISING STILL LEADS RADIO FIVE-TO-ONE

Despite its phenomenal growth in recent years, radio broadcasting is still far behind the newspapers of the country in total advertising income, pointed out Dr. Orestes Caldwell, former Federal Radio Commissioner, addressing the American Institute of Radio Engineers at Springfield, Mass., last night.

Compared with the $485,000,000 advertising business done by the newspapers this year, radio broadcasting will do about $100,000,000 during the 1935-36 season, said Dr. Caldwell, indicating the opportunity that lies ahead of radio as new services now in sight, are developed, revolutionizing the advertising art.

Dr. Caldwell itemized the present billion-dollar total advertising bill of the nation as follows:

Radio Broadcasting	$100,000,000
Periodicals	125,000,000
Newspapers	485,000,000
Outdoor advertising	25,000,000
Direct Mail	365,000,000
Total Advertising Outlay in U.S.	$1,100,000,000

X X X X X X X X X

WMCA TO BROADCAST CONGRESSIONAL PATENTS HEARING

Public hearings of the Special Congressional Committee on Patents will be broadcast over WMCA, New York, each afternoon this week at 2:15 o'clock. At least thirty witnesses for the radio, electric and motion picture industries will face the microphone during the course of the investigation.

Representative William I. Sirovich, Chairman of the Committee, will preside at the hearings which will be held in the Fifth Avenue Hotel in New York. Other members of the committee include: Fritz G. Lanham, Texas; Braswell Deen, Georgia; Thomas O'Malley, Wisconsin; Matthew A. Dunn, Pennsylvania; Charles J. Golden, California; Charles Kramer, California; J. Burrwood Daly, Pennsylvania; Randolph Perkins, New Jersey; Clarence J. McLeod, Michigan; Fred A. Hartley, Jr., New Jersey; L. C. Arends, Illinois; Ralph E. Church, Illinois; R. T. Buckler, Minnesota; Thomas R. Amlie, Wisconsin; and Robert Robins, Secretary.

X X X X X X X X

RCA-VICTOR SPONSORS PHILADELPHIA ORCHESTRA TOUR

Although much publicity has been given to the forthcoming transcontinental tour ot Leopold Stokowski and the Philadelphia Orchestra, the first in the history of the organization and the most extended trip to be made by a major symphony orchestra in many years, it apparently is not so generally known that the sponsorship of the RCA-Victor Company makes the trip possible.

The full orchestra of 100 musicians will visit the following cities: Hartford, Conn., Montreal and Toronto, Canada; Chicago, St. Louis; Atlanta, Birmingham; New Orleans; Dallas, Texas; Los Angeles; Seattle; San Francisco; Portland, Ore.; Denver; Salt Lake City; Kansas City; Ann Arbor, Mich.; Des Moines; Minneapolis; and Milwaukee.

The tour is planned to take the Philadelphia Orchestra to those musical centers which have known the organization only through broadcasts and recordings in the past.

The trip will be under the joint management of George Engles, Vice-President of the National Broadcasting Company, and Charles L. Wagner, of New York.

X X X X X X X X X X

COLUMBIA ISSUES EXPLANATORY LITERATURE FOR STOCKHOLDERS

A booklet entitled "Where Is The Columbia Network Heard?" is being sent to stockholders of the Columbia Broadcasting System this month along with their dividend checks. It is the first of a series of informative pieces designed to acquaint stockholders with different phases of the broadcasting business.

"These booklets regard the stockholder as a person with a triple personality", Dorothy Sutherland of the Columbia Trade News Division explains. "First, as a part owner of the business, and therefore an individual with more than average interest in its technicalities. Second, as a member of the general public and a radio listener. Third, as a public relations representative who, consciously or unconsciously, molds opinion in his own business and social circles.

"The booklets are designed to be easily understood by the woman stockholder who has little knowledge of business, while at the same time to be sufficiently sophisticated to interest the experienced corporation executive."

X X X X X X X X

RADIO SAVED THE MUSIC WORLD IN DEPRESSION, ELMAN SAYS

"It was radio broadcasting that saved the music world during this severe depression", Mischa Elman, world-famous violin virtuoso, said at an interview during his rehearsal for his appearance as soloist in the second of the General Motors concerts last Sunday night.

Elman said that the limited group of supporters of musical enterprises, like symphony orchestras and opera companies, in the days before radio broadcasting, probably would have failed to carry their organizations through the worst test of the panic. The added strength furnished directly and indirectly by the outlying audience, built up by consistent broadcasting of good music by leading musical bodies, supplied just the additional financial help needed to carry these organizations through, he said.

"As well-known instances of what I mean", Elman continued, "I refer to the successful public appeals for direct money gifts made by the organizations supporting the Metropolitan Opera Company and the New York Philharmonic Symphony Orchestra."

X X X X X X X X

COMMUNICATIONS NEUTRALITY NOT YET CONSIDERED BY FCC

Although the town was buzzing with rumors that the Federal Communications Commission would do this, that or the other in enforcing neutrality in communications affecting either Italy or Ethiopia, it is learned on high authority that as yet the matter has not been officially brought to the attention of the Commission and if the question of a communications curb has been raised with regard to Great Britain, for its refusal to rebroadcast the speech from Geneva, chief Italian envoy to the League of Nations meeting, the discussion is being carried on by the State Department.

An important development of the situation is understood to be a study being undertaken by the Navy Department of possible action by the United States looking toward the banning of any messages, regarded or intended to be inflammatory, from a beligerent power. Such a censorship would be exercised strictly by this Government.

It is believed Sec. 606 (paragraphs a and b) of the Communications Act dealing with War Emergency powers would give the President plenty of authority to deal with the situation. Also, that stations throughout the United States would do well to play no favorites in broadcasting speeches in connection with the Italo-Ethiopian War since stations must be operated in the public interest. However, as yet the Communications Commission has not taken up any of these matters.

The Columbia Broadcasting System, in what is declared to be a spirit of fair play, last Sunday succeeded in relaying over a coast-to-coast network the Italian side of the Ethiopian controversy by Baron Aloisi. It was picked up direct from Rome for Columbia by the RCA receiving station at Riverhead, L.I.

As is known, this was the speech that Great Britain refused to relay through London although it had previously permitted the Ethiopian side of the question to go through to this country.

The arbitrary position taken by the British Government served to speed up the establishment of a radio-telephone circuit from France to the United States. Although there is no reason to believe that France would have acted any differently than England, since the two countries are apparently allies in the present trouble, nevertheless it is the viewpoint of the Federal Communications Commission, apparently, that England should not have a monopoly.

Long before the Ethiopian trouble came up, the French Government complained to the United States that they were at a disadvantage having their commercial business clear through England, that that country thus had access to their trade agreements and asked the State Department to use their good

offices in bringing about the establishment of a direct radio-telephone circuit to France.

The State Department turned to the Communications Commission which requested that the American Telephone & Telegraph Co. establish such a circuit. The Telephone Company was reluctant to do this but in view of the official request have now agreed, it is said, to connect the two countries with radio-telephone but this will not become an actuality until a new station has been erected in Paris to connect with the A. T. & T. station at Lawrenceville, N. J., adjacent to New York City.

X X X X X X X X X

TO SOUND INDUSTRY OUT ON NRA LEGISLATION

Major George Berry, of the Department of Commerce, whose title is Advisor of Industrial Cooperation, and said to have previously been strongly affiliated with the American Federation of Labor, has invited the National Association of Broadcasters and the Radio Manufacturers' Association, along with the other principal industries, to participate in a conference to be held at an early date in Washington. The object of this meeting will be to sound out industry with regard to a permanent NRA.

Major Berry will endeavor to determine for the guidance of the Administration whether industry wants the Government to support legislation which would accomplish the same purposes as outlined in the Codes of Fair Competition. It is expected that the Conference will be timed so as to be able to give President Roosevelt the answer upon his return to Washington.

X X X X X X X X X X

HEARST GETS NEW SHORT-WAVE NEWS TRANSMITTER PERMIT

Station WEEK, Hearst Radio, Inc., Tinley Park, Ill., has been granted a license by the Federal Communications Commission to operate a high frequency station for the purpose of transmitting press dispatches.

The license covers construction permit (fixed public press-point-to-point telegraph) and operation on frequencies of 9230, 9390, 10090 kilocycles day only; 7625, 7640 kilocycles, 5 kilowatts power, unlimited time; provided however, that authority to operate on these frequencies during the period between two hours before local sunset and two hours after local sunset is granted on a temporary basis and may be canceled without advance notice.

X X X X X X X X X X

10/15/35

SUPER-POWER EXPANSION MAY BRING MANY 500,000-WATTERS

Far-reaching changes in the technical broadcasting structure, possibly including authorization of perhaps two dozen stations with super-power of 500,000 watts and the licensing of additional local stations, may grow out of current technical investigations being conducted by the Federal Communications Commission.

Designed to take advantage of technical advances made in broadcasting since the sweeping reallocation of facilities in 1928, a new program is being considered in its preliminary stages by FCC technicians. Anything of the magnitude being discussed - and pondered by many in the industry - would inevitably result in a reshaping of the entire broadcasting setup. Introduction of additional 500,000-watt stations, for example, obviously would lead to realignment of networks, rate schedules and services to conform with the changed technical coverage picture.

Here, according to Broadcasting Magazine, are the salient features of the proposals advanced, discussed and being considered by the FCC Engineering Department, for changes in the technical broadcasting structure designed to make it accord with modern engineering technique:

1. Reduction in the number of clear channels from 40 to possibly 25 with a minimum power of 500,000 watts on remaining clear channels strategically located.

2. Simultaneous operation with maximum power of 50,000 watts on clear channels not permitted to increase to 500,000 watts.

3. Opening of perhaps three channels in the new portion of the broadcast band between 1500 and 1600 kc. for local stations, with the possibility of licensing up to 50 new stations on each wave.

4. Horizontal increases in night powers from 1,000 watts to 5,000 watts on certain of the regional channels.

5. Retention of the so-called "high-fidelity" stations in the band from 1500 to 1600 kc.

X X X X X X X X

INTERNATIONAL BROADCASTS DAILY BECOME MORE COMMONPLACE

No so long ago the relaying of a foreign program in this country was considered quite an achievement, but today it is an accepted marvel that occasions no more wonder than radio itself.

A new standard in globe-circling by radio will be set on October 27, however, when the NBC-WEAF network is linked with stations in 31 countries, from 12:30 to 1 P.M. EST, in presenting choral groups singing their native songs.

The Columbia Broadcasting System during the year ending last September picked up programs from 25 countries and spanned the ocean 144 times. Although the relays were made under varying weather conditions, only five broadcasts were adjudged unsatisfactory by CBS.

The NBC broadcast will utilize most of the short-wave stations in the world in addition to the regular broadcasting channel stations. The central point for all cues and switches will be in Berlin, Germany.

So that the entire program may girdle the globe with split-second accuracy, all cues for switches from country to country will be spoken in the language of the country where the program originates and will then be repeated in French

X X X X X X X X

RADIO ENGINEERS TO MEET NEXT MONTH

The radio industry experts of America and Canada will exchange engineering and promotion ideas during the Fall meeting of the Institute of Radio Engineers at Rochester, N. Y., November 18 to 20.

X X X X X X X X X X

FCC GRANTS ORAL ARGUMENT FOR MASS. AND CONN. STATIONS

The Federal Communications Commission has granted oral argument to be held on December 4, 1935, on the application of the Hartford Broadcasting Co., Inc., Hartford, Conn., Worcester Broadcasting Co., Inc., Worcester, Mass., and the Hartford Times, Inc., Hartford, Conn., for a new station, frequency 1200 kilocycles, 100 watts unlimited time.

X X X X X X X X X X

ATLAS BUYS LARGE R-K-O BLOCK FROM RCA

David Sarnoff, President of the Radio Corporation of America, and Floyd B. Odlum, President of Atlas Corporation, announced the sale by the Radio Corporation and the purchase by Atlas of a substantial portion of the Radio Corporation holdings in the Radio-Keith-Orpheum Corporation, with an option to purchase the remainder. Mr. Odlum stated that this purchase was made on behalf of Atlas Corporation and Lehman Brothers.

Proceedings are now pending for the reorganization of RKO. It is expected that a plan of reorganization will be promulgated shortly in these proceedings.

Merlin H. Aylesworth, President of R-K-O, expressed his gratification with the closing of the transaction.

Commenting upon this, the New York Times said:

"Once more the Radio Corporation stocks have experienced a sharp movement on the stock market while the stockholders can only conjecture to the prospects relating to dividend arrears. Yesterday the Class B preferred stock rose 5¼ point, on the self-evident hopes of speculators that the deal for sale of the company's R-K-O holdings to outside interests might serve to clear up the back dividends. Similar market activity, with advances and declines both making wide swings, occurred before the arrears on the A preferred stock were cleared early this year. Now the guessing that characterized market opinion on the R.C.A. stocks at that time has been resumed."

At the end of 1934, the RCA owned 48.6 per cent of the no par common shares of Radio-Keith-Orpheum, in addition to 84 per cent of the 10 year debentures. The Atlas Corporation is said to have made a great fortune during the depression in picking out what it believed to be promising stock which later would achieve greater value.

X X X X X X X X

SENATOR WHEELER'S DAUGHTER TO BE MARRIED

Senator Wheeler, of Montana, Chairman of the Interstate Commerce Committee, and Mrs. Wheeler, have announced the engagement of their daughter, Miss Elizabeth Wheeler, to Edwin Colman of Rockford, Ill.

X X X X X X X X

SUIT ATTACKS TELE-FLASH BOOTLEG NEWS

The National Exhibition Company, owner of the Polo Grounds and the New York Giants, which for many years has opposed the broadcasting of its baseball games, has filed an injunction suit to restrain alleged "bootleg" broadcasts of baseball games and other sporting events from the Polo Grounds. The suit also asks $500,000 damages on the ground that unauthorized broadcasts that have been made have cut into the plaintiff's receipts.

The suit is brought against Tele-Flash, Inc., the "Morning Telegraph", Morning Telegraph Sport News, Inc., and the New York Telephone Company. The complaint was filed in the County Clerk's office when the defendants had the suit transferred to the Federal Court.

The Morning Telegraph Sport News, Inc., said to be affiliated with the newspaper of that name, is alleged to have acquired Tele-Flash, Inc. The telephone company is made a defendant on the ground that the alleged broadcasting is made possible through telephone wires with loud-speakers attached, which are installed in the premises of subscribers to the Tele-Flash service. The defendants are alleged to have 300 subscribers at present.

Although the complaint says that the plaintiff has investigated the broadcasts, "the method of acquiring the simultaneous description of baseball games is at present unknown to the plaintiff." The defendants are charged with conspiring to carry out the broadcasting with full knowledge that the broadcasting right is the sole property of the plaintiff. It is alleged that in some underhand way the descriptions of the games have been "stolen or bootlegged."

X X X X X X X X

SERVICE MEN MEET OCTOBER 27

The annual New York convention and radio parts show of the Institute of Radio Service Men will be held October 25-27 at the Hotel Pennsylvania in New York City. A representative display of exhibits and a large attendance is promised. During the service men's convention, on October 26, there will be a meeting of the RMA Service Section of which F. B. Ostman, of Camden, N. J., is Chairman.

X X X X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL—Not for Publication

INDEX TO ISSUE OF OCTOBER 18, 1935

No. 869

GREAT SECRET INTERCITY S-W CROOK-CATCHING POLICE NET SOON

It has been learned on excellent authority that rules and regulations have been tentatively drawn up by the Federal Communications Commission for a proposed nation-wide intercity police short-wave radio-telegraph system which would mark the greatest step forward in the history of the United States in national criminal apprehension. Secrecy is to be the main objective of the new criminal network and for this reason radio-telegraph instead of radiophone, will be used. Even should the crooks with short-wave sets locate the frequencies, which will be difficult because they will be interchangeable, they would probably find themselves up against deciphering the secret code.

The plan for coordinating the work of the short-wave police radio stations in the various cities was submitted to the Commission by the Associated Police Communications Officers to the Communications Commission through the International Association of Chiefs of Police and the Commission's redraft of the proposal was endorsed by the Associated Police Communications Officers at their national convention in Indianapolis last week.

Thus far no publicity has been given to the matter but in well-informed circles, it is believed to be but a question of a short time until a formal announcement is made with regard to the new intercity short-wave police communications system which may be in operation within the next year.

Acting in an advisory capacity to the Police Communications Officers in developing the proposal have been E. K. Jett, Assistant Chief Engineer of the Federal Communications Commission, in charge of police radio, and E. P. Coffey, in charge of radio for the Bureau of Investigation, Department of Justice.

Although the exact details of the new network are not known, the plan will probably involve the use of a zone control broadcasting station in the geographical center of each State, or zone, and the use of secondary stations. Since in practically all cases the capital city of each State in the United States is near the center of the State, and because of the availability of a complete record, it is believed that whenever possible, the police zone control station will be located in the capital. Also the capital city is usually a large city, or the location of a State police radio station, and would have additional radio facilities to handle the greater volume of communication work that would fall to the zone control station. The zone control

station would handle all communications between the smaller stations within its zone or State.

The proposed intercity radio police system will probably be modeled largely along the lines of the Naval Communications service which is constantly in touch with work all over the world. The secondary stations of the police system would probably be in the larger cities of the State.

The plan does not involve the use of Municipal and State police frequencies or main police transmitters now in use.

An advantage of radio-telegraph, as against radiotelephone, in addition to its assurance of secrecy through the use of codes, is that automatic systems of reception could be used to provide written records which would not require the presence of a listener or operator. This would be extremely important in smaller cities where the police force is smaller and those connected with it have numerous duties.

Owing to the difficulties of enunciation and comprehension, radiotelegraphy is considered more accurate than radiotelephony. This would be particularly noticeable when receiving messages containing legal terms, symbols, numbers, names of persons and code. Radiotelegraphy enables communication at greater distances more economically.

Finally, radiotelegraphy occupies less "space" in the ether, suffers less from, and creates less radio interference than does radiotelephony. A reason that the Communications Commission will have to act quickly in approving the intercity police communications plan, and it is inconceivable that the Commission would reject it, is that the construction and operation of the proposed stations must be commenced within the near future; otherwise the frequency spectrum will be more crowded, making it difficult, if not impossible, to obtain the required channels of communication.

To show the tremendously rapid growth in the use of radio frequencies by the nations of the world during the last few years, a comparison between the original international frequency list established by the Berne Bureau, the world's radio headquarters, in December 1933, is illuminating. In the original list of December, 1928, a total of approximately 1700 radio stations were listed. Five years later the number of stations were about 17,000, or a ten-fold increase. No check has been made of the number of assignments today, but it is known to be considerably greater than before.

At the outset it is figured that three frequencies would have to be provided for daylight communication and three additional frequencies for night communication. The frequencies would have to provide reliable signals, when a reasonable amount of power is used, over a daylight path of at least 250 miles.

It is made plain that the new intercity system is in no way to take the place of or conflict with the proposed broadcasting system which the Department of Justice is now believed to be working out to flash to the police departments of the nation emergency messages and information relating to serious crimes.

The Associated Police Communications Officers at their recent Indianapolis meeting elected Capt. Robert L. Batts, of Indianapolis, President of the Association, and decided to hold their next meeting at Davenport, Iowa.

X X X X X X X X

SARNOFF ANALYZES RADIO AND PUBLIC OPINION

"The interests of the public impose distinct obligations on three factors concerned in the relationship of radio to public opinion", David Sarnoff, President of the Radio Corporation, said yesterday in an address in the Fifth Annual Forum on Current Problems, in New York City.

"Upon the speaker before the microphone", Mr. Sarnoff asserted, "rests the responsibility for a fair and sincere statement of the subject in the light of his convictions. Upon the management of broadcasting stations rests the responsibility to see that both sides of a matter affecting the national welfare are given a fair opportunity to utilize the facilities of radio. Finally, upon the public itself rests the responsibility to discriminate between statesmanship and partisanship; between faith and prejudice; between sincerity and hypocrisy; between heated argument and cold fact."

Those who have no faith in the capacity of the public to distinguish between the true and the false - when full information is available - will have no hope for any democratic form of society, Mr. Sarnoff said.

"Public opinion may not always be infallible, but happily the records of democracy show that on great national issues it has risen triumphant over sophistry and demagogy", the RCA President concluded. "Where politics or government have temporarily swerved a nation from its true course an aroused public opinion has ultimately expressed itself and pointed the way to the right road. Without such freedom of expression there can be no democracy."

X X X X X X X X

"MARMOLA" HEARING ENDS; DECISION MAY BE DELAYED SEVERAL MONTHS

A voluminous record of testimony on questionable advertising over the air was accumulated by the Broadcast Division of the Federal Communications Commission during a five-day hearing, October 14-18, inclusive, on the applications for license renewals by KNX, Hollywood, Cal., KFRC, San Francisco, and WTMJ, Milwaukee.

FCC officials predicted that no decision may be forthcoming before the first of next year because of the volume of testimony and the issues involved.

The names of nearly fifty products whose advertising claims are disapproved by FCC counsel, at least, were injected into the hearing as witnesses and counsel for the three stations sought to defend their records on the ground that they had checked on the sponsors with various governmental agencies, such as the Food & Drug Administration, the Federal Trade Commission, and the Post Office Department.

The principal product complained of by the Commission's counsel was "Marmola", (which claims to reduce obesity or unusual fatness). None of the three stations involved has carried the "Marmola" program since last Spring, but the Commission case is based on broadcasts during January, February and March.

George B. Porter, FCC counsel, placed Dr. William Earl Clarke, Washington physician, on the stand to testify that "Marmola" contains a half grain of thyroid, a powerful drug which should not be administered to an obese patient except after a thorough diagnosis and only then by a reputable physician. He said that harmful results could be expected if a patient followed the advice of the "Marmola" distributors and took four tablets daily.

He also produced evidence that the Federal Trade Commission several years ago had issued a cease and desist order against the Raladam Company for making certain claims when it handled "Marmola". Though the order was appealed and the FTC reversed on technical grounds, subsequently by the United States Supreme Court, Porter pointed out that the court had agreed that the use of the drug was harmful.

Witnesses for the stations admitted that the objectionable program was carried but insisted that they had checked with several governmental agencies, such as the Post Office Department, the Federal Trade Commission, and the Food & Drug Administration before accepting the account. They added that the program was dropped prior to an inquiry by the Communications Commission.

The licenses of eighteen other stations which had also carried the "Marmola" program have been renewed after being held up by the FCC because the account was dropped.

Counsel for the Commission, however, complained against other programs the stations have carried but have since barred, such as those sponsored by "Congoin" (A South American herb tea), "Commanders" (a vitamin tablet), and Sterling Company (lead advertising in which prizes are offered for sales contests).

Station KNX was singled out, in addition, for complaints agains 25 or 30 other past accounts, such as "Ironizer", "Electronometer", "Curarinea", "Kal", "Venus Tablets", "P.T.M. Tablets", "Calogen" and "Calwhey".

Assisting Attorney Porter in the case was A. G. Haley of the Communications Commission Legal Division. The stations were represented by Paul Segal for KNX; Duke M. Patrick, for KFRC; and Ben S. Fisher, for WTMJ.

X X X X X X X X

JOLLIFFE DENIES SWEEPING EQUIPMENT ORDER IS CONTEMPLATED

Answering rumors that the Engineering Division of the Federal Communications Commission was preparing to recommend new regulations which would require many broadcasting stations to install new equipment, Dr. C. B. Jolliffe, Chief Engineer of the Commission, stated that no such proposals are contemplated.

"We, of course, expect stations to keep abreast of engineering developments, and most of them have done so", he said. "Broadcasting stations on the whole are in very good condition, technically speaking."

Dr. Jolliffe explained that whenever a station with obsolete equipment applies for a renewal of license, the Engineering Division may insist that its apparatus be modernized before the license is renewed. But this, he explained, has always been the Division's policy.

The FCC only this week issued an order setting up minimum antenna heights to be required in new station construction (reported elsewhere in this issue), but Dr. Jolliffe pointed out that it applied only to new installations.

"Although most stations are adequately equipped today", he said, "that doesn't mean that they can keep the same equipment without modernizing it for several years. We expect them to keep their equipment up-to-date on their own initiative."

X X X X X X X X

AT CROSSROADS IN UTILITIES REGULATION, FCC MEMBER ADMITS

In a lengthy address (twenty-eight mimeographed pages), delivered at the convention of the National Association of Railroad and Utilities Commissioners at Nashville, Tenn., Paul A. Walker, Chairman of the Telephone Division of the Federal Communications Commission discussed "Federal and State Jurisdiction over Telephone Companies as Affected by the Communications Act".

Commission Walker said:

"The approach to the subject under discussion this morning should be fundamental. It should strike at the root of the problem of regulation itself.

"While there is no longer room for debate on the necessity for regulation of telephone utilities, the spirit of that regulation is a matter of very grave concern. We are still at the crossroads. Public regulation of utilities is on trial today as never before. A question mark hangs ominously before the word 'regulation'. Everywhere the public is asking, can regulation succeed? We are truly engaged in a great conflict which shall determine whether the regulation we now exercise or any regulation can long justify its existence.

"There is no slackening of the public demand for the results hoped for through utility regulation. The policy of 'laissez-faire' has long since been abandoned. The question now is, shall government regulation succeed, or what substitute shall be offered if it fails?

"Our approach to the question, however, is one of confidence. Those of us who have been on the firing line believe that public regulation can and must succeed."

Commissioner Walker remarked that manifestly, a detailed and specific account of an investigation of the nature and magnitude of the telephone investigation, at this stage, is a difficult matter.

"The primary and ultimate concern of the general public in this investigation will be the determination of whether the American Telephone and Telegraph Company and its subsidiaries, which dominate and control the telephone field, are supplying telephone service to their patrons at the minimum cost consistent with adequate quality of service and accessibility of service to all who desire and are entitled to such service", Commissioner Walker explained. "The answers to all the inquiries made in this investigation must be more or less predicated upon the objective of the lowest practicable rates consistent with adequate service.

"Apparently appreciating that regulation may eventually be a reality, there has begun what appears to be a nation-wide propaganda against regulation.

"Immediately following the announcement of the telephone investigation some months ago, there began skillfully defised propaganda to discourage and to discount, if not to thwart, the investigation. That propaganda has persisted to the present time, and has likewise entered into other activities of the American Telephone and Telegraph Company."

"We are face to face with the most dangerous and subtle organized attack against utility regulation the country has ever known. Federal and State Commissioners will be compelled to give such satisfactory account of their performance as will not only justify regulation but will bring to their support additional necessary legislation and facilities for carrying on their work."

"The problem is not one for weak hearts or irresolute minds. Successful cooperation calls for united zeal in the cause of regulation, wisdom in planning and carrying out the work of regulation, and courage in the execution of the duties of the respective Federal and State Commissions.

"While the telephone investigation is vital, it must not be permitted to crowd out everything else. The whole field of telephone regulation, under the Communications Act, is built around effective cooperation between Federal and State Commissions. If that fails, regulation fails."

X X X X X X X X X X

JOHNSTONE AND POPPELE, N.J. POLICE-RADIO SURVEY ADVISORS

Two WOR officials have been appointed advisors to the Police Radio Survey Commission of New Jersey, it was announced on Wednesday. They are G. W. Johnstone, Director of Public Relations, and J. R. Poppele, Chief Engineer of the station. The Commission, authorized by the State Legislature and appointed by Governor Harold G. Hoffman, has been created to combat crime in New Jersey. Plans are being made to set up a State-wide radio telegraph hook-up to aid police in barring escape paths of fugitive criminals.

X X X X X X X X

NEW AND LARGER QUARTERS FOR TACO

Forced to seek larger space for increased production whereby to meet the growing demand of old and new customers alike for TACO all-wave noiseless antenna kits, components and allied products, Technical Appliance Corporation has moved from Long Island City to 17 East 16th St., New York. The new quarters provide three times as much floor space, while new machinery permits stepping up production some 300 per cent. Also, the new location is more convenient for callers and for shipments.

X X X X X X X X

SAYS FCC WILL TAKE NO ACTION TO ENFORCE NEUTRALITY ON ETHER

The Federal Communications Commission will take no steps nor issue any regulations to require broadcasting stations to observe neutrality during the Italo-Ethiopian War, according to Chairman Anning S. Prall.

"We have discussed the matter since the President issued his neutrality statement", Prall said, "and we intend to follow the general policy he has outlined. However, we don't contemplate any interference with broadcasts, nor do we expect to issue any regulations governing broadcasts."

The Communications Commission, moreover, does not intend to make any protest against the censorship of addresses by representatives of either of the warring countries that are intended to reach the United States via short-wave. Such action, as that of the British Post Office Department in refusing to transmit an address of Baron Aloisi, the Italian diplomat, from Geneva to the Columbia Broadcasting System, he said, is outside the jurisdiction of the FCC.

Prall expressed the view that if any protest is to be made, it must come from the State Department. The latter is understood to have considered the question, but has decided not to make any formal complaint.

Some United States government officials hold that Great Britain violated telecommunication convention tready adopted in Madrid in 1932 by the United States, Great Britain, Italy and other countries. Section 27 of this treaty states that whenever any signatory nation suspends the services of international telecommunication, it must notify "immediately" the other contracting nations. The American government received no such notice.

X X X X X X X X

AMERICAN BAR ASSOCIATION HONORS SPEARMAN

Paul D. P. Spearman, of Washington, former General Counsel of the Federal Communications Commission, now engaged in private law practice, has been appointed a member of the American Bar Association's Standing Committee on Communications.

John W. Guider, also of Washington, was reappointed Chairman of the Committee. Guider has been a member of the American Bar Association since 1929 and has been a member of the committee of which he is now Chairman since 1931.

The activites and plans of the Communications Commission will be the subject of special study by the committee, especially wherein these represent departures from the practices of the old Federal Radio Commission.

X X X X X X X X

ANTENNA IMPROVEMENT MORE IMPORTANT THAN POWER, SAYS FCC

A review of the antenna systems employed by broadcast stations reveals that there are now many antennas in use that the radiating efficiency does not comply with the requirements of good engineering practice the Federal Communications Commission has discovered.

"In many cases a material improvement in the coverage of the station could be accomplished by erecting an efficient radiating system. This increase in coverage may be more than could be accomplished by doubling the power", a statement from the Engineering Division of the Commission sets forth.

"It is the obligation of the licensee of every station to make efficient usage of the assignment granted by the Commission. It is not the intention of the Commission at this time to require all stations with questionable radiating systems to install antennas having the required efficiency, but it is the intention not to grant additional facilities to licensees of broadcast stations unless they are making efficient usage of the assignment already granted. That is, the licensee of a broadcast station requesting more power, change in time of operation, different frequency, or move of the transmitter, must have an antenna for the assignment requested that meets with the minimum requirements before favorable consideration will be given."

A graph has been sent to all broadcasting stations showing the minimum physical height of antenna proper or minimum effective field intensity that stations must have before additional facilities will be granted.

Before any change is made in the antenna, details should be submitted by stations to the Commission for approval in order that it may be definitely determined that the installation will meet the requirements and that it does not constitute an objectionable hazard to air commerce.

X X X X X X X X

HAUPTMANN BROADCASTS UPHELD IN COURT OPINION

In the Court of Appeals opinion in the Hauptmann case, the court ruled that it did not find anything irregular in the conduct of the press in its reporting of the trial, nor of the radio broadcasts.

Some question was raised with regard to the propriety of the latter, which was said to have been done without the knowledge of the court.

X X X X X X X X X X X

INDUSTRY NOTES

Reports of several large companies indicate increasingly better business conditions.

Sales billed by the General Electric Co. in the first nine months of 1935 amounted to $149,173,275, compared with $121,735,123 in the corresponding period in 1934, Gerard Swope, President, announced. Net profit for the nine months was $17,205,332, compared with $11,714,247 available for the common stock a year before.

A consolidated statement of earnings of the Bell System for the first eight months of 1935, accompanying quarterly dividend checks mailed to stockholders, shows consolidated net income equal to $4.28 a share earned on 18,662,275 shares of capital stock of the American Telephone and Telegraph Company, compared with $3.85 a share for the first eight months of 1934.

The net income of the American Telephone & Telegraph Co. for the first nine months of 1935 was $90,634,658, compared with $90,085,802 for the 1934 period.

Orders received by the Westinghouse Electric & Manufacturing Co. in the third quarter of 1935 amounted to $30,497,620 an increase of 21 per cent over orders of $25,213,271 received in the third quarter last year.

William N. Wisner, father of Frank Wisner, Chief of Public Relations for the Federal Communications Commission, died October 16 at Upperco, Baltimore County, Md.

The Radio Corporation of America is applying part of the proceeds of the sale of a portion of its interest in the Radio-Keith-Orpheum Corporation to the retirment of $4,000,000 outstanding 5 per cent debentures due from 1936 to 1942.

The application of Virgil V. Evans (WMHS), Huntsville, Ala., for a construction permit to remove his station to Chattanooga for daytime operation, has been dismissed with prejudice. This followed a motion made by the attorney representing the applicant which was later joined in by counsel for the Commission, who added the prejudice stipulation. WBHS is a 100 watt station operating on a frequency of 1200 kc.

The third quarter melon of the American Society of Composers, Authors and Publishers for 1935 is $800,500.97. This is a seasonal lower figure than the second quarter, which did not take in the slower Summer months. The second quarter of this year gave the Society $860,105 for dividends.

Half of the total sum available for dividends goes to the publishers and the other half is divided among the author and composer members, each individual writer or publisher member receiving checks according to the respective classification.

Gerard Swope, President of the General Electric Company, in New York defended the pooling of patents, citing as an example the pooling of communication patents after the World War when the Radio Corporation of America was formed.

"It was the only way that we could develop the art of radio transmission to its present height", he told the Congressional Committee which is investigating proposed patent legislation.

X X X X X X X X X X X X

APPLICATIONS GRANTED BY FCC BROADCAST DIVISION

WMAZ, Southern Broadcasting Co., Inc., Macon, Ga., Cp to make changes in eqpt.; NEW, J. B. Roberts, Gastonia, N. C., CP for new station, 1420 kc. 100 watts unltd., transmitter and studio location to be determined subject to Commission's approval; KGER, Consolidated Brdcstg. Corp., Ltd., Long Beach, Cal., renewal of license for a period of 60 days, 1360 kc., 1 KW unltd.; KGIR, KGIR, Inc., Butte, Mont., renewal of license, 1340 kc., 1 KW - 1½ KW from local sunrise to local sunset only, unltd. time; WNEW, Wodaam Corp., Newark, N.J., renewal of license, 1250 kc., 1 KW, with an additional 1½ KW from local sunrise to local sunset only; shares with WHBI. WHBI 1/7 time and 6/7 time WNEW; KGB, Don Lee Brdcstg. System, San Diego, Cal., renewal of license for a period of 60 days 1330 kc., 1 KW unltd.

KFAB, KFAB Brdcstg. Co., Lincoln, Neb., extension of special exp. auth. to operate synchronously with Station WBBM from local sunset at Lincoln to midnight from 9/k/35 to Feb. 1,36; WSFA, Montgomery Brdcstg Co., Inc., Montgomery, Ala., Auth. to determine operating power by direct measurement of antenna input; WMAQ, National Broadcasting Co., Inc., Chicago, Ill., license to cover CP, 670 kc., 50 KW, unlimited time; WPRP, Julio M. Conesa, Ponce, P. R., Mod. of CP to extend completion date to 12/18/35; WFLA-WSUN, Clearwater Chamber of Commerce & St. Petersburg Chamber of Commerce, Clearwater, Fla., license to cover CP, 620 kc., 1 KW night, 5 KW day, unltd. time; WISN, Hearst Radio, Inc., Milwaukee, Wis., license to cover special temp. auth. to use the formerly licensed main transm. as auxiliary transmitter of Station WISN, to be operated with power of 250 watts at Milwaukee; WKBV, KNOX Radio Corp., Richmond, Ind., CP to move transmitter location to 2 miles north of Richmond, and install new radiating system.

X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF OCTOBER 22, 1935.

No. 870

October 22, 1935

FCC MEMBER HITS ANTI-COAXIAL CABLE PROPAGANDA

That organized propaganda was being directed at the Federal Communications Commission in connection with granting of the application for the experimental coaxial cable, for the transmission of television between New York and Philadelphia, was revealed in the address which Commissioner Paul A. Walker, of the Federal Communications Commission, delivered before the National Association of Railroad and Utilities Commissioners, at Nashville, Tenn., last week.

"The application of the American Telephone and Telegraph Company and the New York Telephone Company to build the coaxial cable was made some months ago", Mr. Walker said. "That application was presented as an emergency application. Multiplied telephone facilities and perhaps television transmission would be effected with the building of the coaxial cable. The application was promptly granted by the Federal Communications Commission, with restrictions against monopoly.

"I referred to this coaxial cable application as an interesting experiment in testing the sincerity of the willingness, so often publicly expressed by the telephone utility, of cooperation with governmental regulation. Within the current month, however, the country has been flooded with an apparently organized propaganda against the Federal Commission's order. It is said that the American Telephone and Telegraph Company is to shunt television far into the future and to deny nation-wide television and pictures by radio unless there can be a relaxation of regulations of the Federal Commission.

"The coaxial cable, it is said, is in reality a hollow brass pipe, sheathed in lead, carrying electrical impulses over a wider band than has ever been possible before. It is, it is said, the only method by which television pictures can be piped overland long distances. Not only is the Bell Telephone Laboratories, Inc., to be given sole credit for the development and patenting of this cable, but the American Telephone and Telegraph Company is to be given sole control and exclusive use of its operation, or the country is to be denied its use altogether.

"Parenthetically, an article by a member of the technical staff of the Bell Telephone Laboratories, Inc., in the August 17, 1935, issue of 'Telephony', describes the coaxial cable to be built under the Commission's order and calls attention specifically to the fact that the conception of the

coaxial cable and its practical application, in some situations at least, have been known since the time of Lord Rayleigh in the middle of the last century."

Commissioner Walker said that the construction of the coaxial cable was for experimental purposes and for the transmission of common carrier messages during the period of experimentation.

"This coaxial cable is expected to have a transmission capacity of some 30 times that of the ordinary telephone wire, and to be able to transmit television images. The Commission granted the application, but with restrictions as to use, including the proviso that other persons might be permitted experimental transmission upon the payment of reasonable charges therefor, and required that the applicants accept the proviso of the order before beginning construction of the cable. The Commission had in mind particularly television and such regulation as might prevent any one company gaining a complete monopoly in that field."

X X X X X X X X

GOVERNMENT COPYRIGHT SUIT AGAIN GOES OVER

By agreement of counsel, the Government's anti-trust suit against the American Society of Composers, the continuance of which was set for November 4th, has now been postponed until Tuesday, January 7th. The reason given by the Government for this is that there are two other anti-trust suits ahead of the ASCAP litigation and that January will be the earliest time that the suit, which began last June but which was postponed until November after an eight-day trial, can be resumed.

An observer, who is usually well informed, commenting upon the January 7th date, expressed the opinion that there would be a further adjournment and that the suit might never come to trial.

Somewhat the same impression is conveyed in an article in this week's Saturday Evening Post (Oct. 19) entitled, "Trouble in Tin Pan Alley" by Alva Johnston. Mr. Johnston refers to the abrupt termination of last June's hearings in the anti-trust suit, which he said was rushed to trial on the grounds of public urgency, as "the Government's about face". Mr. Johnson describes the recent signing-up of agreements of Broadcasters with the Composers "as another surrender."

X X X X X X X X X X

YEAR'S SET SALES MAY EXCEED ALL-TIME PEAK

Sales of radio sets give indication that this year may surpass the all-time peak established in 1929. Sales for some months of the current year have been double those of the like months last year and production has ranged from 25 to 40 per cent more than a year ago in units, while the gain in dollar volume has been less, according to a survey just completed by Dun & Bradstreet, Inc.

Over-production worries have disappeared from the industry and the chief concern is now centered upon maintaining shipment schedules, for it is reported that some business has been lost through inability to make deliveries.

"Deferred demand, which has been accumulating for more than four years", according to the survey, "now is working aggressively in favor of the radio industry. Distribution has broadened almost without interruption since last Winter and the heaviest buying season of the year has opened suspiciously."

It is said that buyers are interested almost exclusively in all-wave sets, and it is estimated that sales for 1935 will total 5,300,000 sets, as compared with some 4,084,000 sets sold in 1934.

Based on the presumption that sets not equipped with all-wave facilities are obsolete, estimates on the percentage of those to the total home units now in use range from 40 to 80 per cent. Fully 30 to 50 per cent of the radios now providing family entertainment and instruction have been in almost continuous service for more than five years.

X X X X X X X X X

KANSAS CITY STATION LOSES HIGHEST COURT APPEAL

Terminating a long legal fight, the United States Supreme Court has declined to grant an appeal to Station WREN, of Kansas City, to intercede in the case of Station WHB, of Kansas City, Kans., which had applied for an experimental license for evening hours.

When the former Radio Commission refused WREN's request to intervene in the case, the station appealed to the Supreme Court of the District of Columbia for an injunction. The District Supreme Court denied the motion of the Commission to dismiss the case, following which the Commission filed an appeal in the Court of Appeals of the District, this court finally overruling the District Supreme Court.

X X X X X X X X X X

FCC AND FTC MEMBERS DISCUSS RADIO ADVERTISING

A conference was held last week by Chairman Ewin L. Davis, of the Federal Trade Commission, and Commissioner Eugene Ol Sykes, of the Federal Communications Commission, with regard to their respective jurisdiction in the matter of radio advertising control. The powers of the two Federal bodies overlap in this matter.

"It was simply an informal talk", said Judge Sykes. "We wanted to ascertain if our various departments were doing their work without any lost motion. We found that they were cooperating very well.

"Judge Sykes said that no new policy has been evolved with regard to the control of radio advertising but that the facilities of both Commissions are to be made more interchangeable in the future than in the past."

X X X X X X X X

LABOR PROTEST MAY BRING CONGRESSIONAL RADIO INQUIRY

It is predicted that the recent resolution criticizing the governmental radio control, passed by the International Typographical Union and the American Federation of Labor, will bring about a Congressional investigation of the Federal Communications Commission during the next session of Congress, which convenes in January.

The resolution passed by the Typographical Union at its meeting in Montreal, where members attacked the "monopolistic control" of radio in defense of newspaper and magazines advertising, favors a Federal broadcasting system similar to that of Great Britain and Canada.

The Typographical Union introduced a similar resolution at the meeting of the American Federation of Labor at Atlantic City last week, but the Federation passed a compromised resolution by simply going on record as against "monopolistic control".

A representative of the Federation said that as a result of this he believed two distinct fights would be waged against the broadcasting industry, the Typographical Union initiating a campaign for government ownership, while the Federation itself would launch an attack on the networks.

The resolution passed by the Typographical Union at Atlantic City is as follows:

"Whereas, the Congress of the United States recognizing the importance of radio communication has specifically reserved control of radio to Congress and specified that radio broadcasting licenses be issued only to serve public interest; and

"Whereas, contrary to the pronounced intent of the Congress two monopolistic groups now virtually dominate American radio broadcasting and use these radio facilities, the property of the people, simply as a means for additional enrichment rather than to serve public interest; and

"Whereas, In their mad desire for additional enrichment these radio monopolists have been able to divert almost $100,000,000 of advertising from newspapers and magazines to radio, thereby depriving some 40,000 or more skilled printing trade workers of much needed employment opportunites; and

"Whereas, these radio monopolists now operate theaters to which are exclusively invited - free - those who advertise by radio and friends of those advertising agencies, which agencies control the placing of the advertising; and

"Whereas, it is apparent that public interest will not be served by those who seek only additional enrichment for themselves and render no service in the public interest; and experience has proven that public interest will only be served by having the government, as is done in Great Britain, Canada, and most all other countries, exclusively operate such radio broadcasting stations as are necessary to truly serve public interest; therefore, be it

"Resolved, that the I.T.U. authorize and direct its officers to petition the Congress of the United States for the enactment of legislation wherein all existing radio broadcasting licenses be cancelled at the expiration of the present license period and that all radio broadcasting thereafter be operated exclusively by a governmental agency, to be set up by action of Congress, with commercial advertising on such radio stations restricted to not more than two hours of each day of which not more than one hour be used for advertising after sundown; and be it further,

"Resolved, that all local unions and state or regional conferences be directed to interview the Congressmen and United States Senators from their respective districts and states, and secure from them a pledge, if possible, that they will work in Congress for the enactment of the legislation herein proposed."

X X X X X X X X

CHICAGO DECIDED ON FOR NEXT BROADCASTERS' CONVENTION

The next annual convention of the National Association of Broadcasters will be held in Chicago. The exact date has not been set, but according to James W. Baldwin, Managing Director of the Association, it will be during the latter part of July.

X X X X X X X X X X

WLWL-WWL CATHOLIC STATION HEARINGS TO RESUME

The hearing in the case of the Paulist Fathers' station, WLWL, in New York, and WWL, Loyola University, operated by the Jesuit Fathers (New Orleans), which began last June and which was postponed until Fall, will be resumed in Washington Thursday morning, October 24th, at 10 o'clock.

WLWL, in New York, seeks unlimited time on 810 kc., which would involve moving of WWL, in New Orleans, to the 810 kilocycle channel and to operate simultaneously with WLWL. Granting of the application would require a change in the allocation of Stations WNYC, New York City; WOV, New York City; WCCO, Minneapolis; WFAA, Dallas; WBAT, Fort Worth; WPG, Atlantic City, and WWL.

A complicating factor in the case has been the unwillingness of WWL, at New Orleans, to change its present frequency in order to accommodate WLWL, of New York City. A serious difference of opinion apparently arose between the Jesuit Fathers backing up their radio station on the one hand, and the Paulist Fathers fighting for theirs, on the other. So far as known, this difference of opinion has not been reconciled.

George O. Sutton, counsel for Father J. B. Harney, of WLWL, said he believed the hearings would probably last a week or more.

X X X X X X X X X X X

SEES RADIO HELPFUL TO NEWSPAPER SALES

J. A. Swan, Promotion Manager of the Des Moines Register and Tribune, addressing the Fall meeting of the Newspaper Advertising Executive Association at Chicago, said that his paper had found that radio will not sell newspapers, but will "open doors to salesmen".

Although the Inland Daily Press Association at Chicago passed a resolution condemning the broadcasting of news, a number of members dissented. Mr. Swan and Forrest Geneva, also of the Register and Tribune, declared that radio news broadcasts were rather aids than rivals of the newspapers. They expressed the opinion that the public appetite for news is whetted by radio flashes and that this causes the circulation to rise.

The resolution, which was introduced by Linwood I. Noyes, publisher of the Ironwood, Mich., Globe, and President of the Inland Press Association, urged newspapers and news-gathering organizations to "cooperate in developing an equitable plan for the broadcasting of news bulletins at regular intervals as a public service in the name of the participating groups."

"I cannot * * * see why newspapers do not rebel at the selling of news to advertisers for broadcast purposes by agencies which are supplying them with news for legitimate publication", Mr. Noyes declared.

"The Associated Press alone has had the fortitude to prohibit the use of Associated Press news for commercially-sponsored programs and its directors should be complimented for their far-reaching decisions to refuse to impair public confidence in Associated Press news reports."

Noyes declared that "concerted action on the part of newspapers could influence the policies of the United Press and the International News Service" to end the sale of their news reports to advertisers.

X X X X X X X X X X

RADIO & TELEVISION CORP. FILES SECURITIES FOR REGISTRATION

Among the securities for which registration is pending at the Securities and Exchange Commission in Washington, are those of the American Radio & Television Corporation of New York, New York, seeking to issue 300,000 shares of $1 par value common stock, to be offered at par. Stone & Company, of New York City, is the principal underwriter and Joseph LaVia, also of New York, is President of the Corporation. The securities were filed for registration October 12th.

X X X X X X X X X X

NAVY DEPARTMENT BUYS LAND FOR RADIO STATION

The Navy Department announced the acquisition of 550 acres of land near Cheltenham, Md., north of Brandywine on the Crain Highway, where it will build a naval radio receiving station at the cost of about $175,000.

The land, which includes a strip of 100 feet wide for a roadway, was purchased for $16,886.

X X X X X X X X X

WINTERBOTTOM POINTS TO U.S. COMMUNICATIONS INDEPENDENCE

The discussion which has flared up over the cancellation by the British Post Office of a scheduled radio speech by the Italian Delegate at Geneva calls attention strongly to the complete communications independence the United States has achieved through radio since the World War, William A. Winterbottom, Vice-President and General Manager of R.C.A. Communications, said.

"The highly developed receiving stations of the RCA system can 'hear' any country, anywhere, that can get a radio wave to them", Mr. Winterbottom pointed out. "Both sides of a topic in which America is interested are available. If direct information does not come from one source, other nations are ready to send it."

The broadcast over an American network of a speech by Baron Aloisi, direct from Rome, on October 13th, was cited as an excellent example by Mr. Winterbottom. A London radio station first was scheduled to send across the Atlantic the address which Baron Aloisi was to make in Geneva. On the day the talk was scheduled, however, the British Post Office advised that its radio facilities would not be available for the speech. Whether this was the result of technical difficulties or the applications of sanctions to which England considered itself obligated as a member of the League of Nations, it did not prevent America from eventually hearing the speech.

Baron Aloisi returned to Rome and made his deferred address -- direct to America from a station in his own country. It was received with complete success by the RCA station at Riverhead, L. I., and distributed over the Columbia network for which it was originally scheduled. This organization, which previously had broadcast a statement from the Ethiopian delegate to Geneva, was thus enabled to present both sides of the question, in line with the policy of American broadcasters.

"There is a sharp contrast", said Mr. Winterbottom, "between the communications situation of our country today and that before 1920. In 1920 we had direct cable communication with England and France, in Europe, and with relatively few nations elsewhere. In that year radio communication really got started in the United States, under a program of development of an American company, the Radio Corporation of America. Today, this one company -- and it is now only one of several in the field in America -- maintains 56 direct radio circuits that connect the United States and its insular territories with 47 countries.

"From halting beginnings, international radio communications circuits have been brought to high efficiency in the last fifteen years. An example of that was the recent demonstration

at the Alberteum Fair in Brussels from which a radio message was sent twice around the world in one minute and 40 seconds. America's radio communication system played an important part in that accomplishment."

The United States has heard the voices of Premier Mussolini and Haile Selassie, direct from their capitals. In the case of Haile Selassie the reception was especially remarkable because his voice came from a station in the heart of Africa, with scarcely one-fifth the power of a standard modern short-wave transmitter.

"When America desires news by telegraph from any corner of the world now she can reach out and get it", Mr. Winterbottom said. "The same is true of speeches from other countries.

"It is not generally appreciated that R.C.A. Communications has handled the great majority of international broadcast events, brought to this country from the four corners of the world for both of the great American broadcasting networks. This service is not dependent upon a single radio channel between England and America. For instance, during 1934 my company handled the reception or transmission of 715 international programs. In 1935, to date, we have handled 480 such program, which have been received direct from, or sent direct to, such widely scattered places as Buenos Aires, Rio de Janeiro, Rome, Moscow, Geneva, Berlin, Madrid, Brussels, Addis Ababa, Tokyo, Manila, Shanghai, Honolulu and the Fiji Islands. For 18 months R.C.A. Communications handled all of the many programs exchanged between this country and the Byrd Expedition in the Antarctic.

"The advantages of such a communication system, which hurls its signals to inland cities or coastal points with equal ease, is indifferent to political boundaries, or the necessity for the relay or examination of messages enroute, are obvious.

"Nor is this world-wide system, which maintains regular communication with so many foreign lands, limited in its service to those places. These extensive, point-to-point facilities are capable of reaching out to still more remote places on the earth's face, when there is need or desire to have direct word from them in this country. Indeed, there seems to be no end of the things that modern radio communication can pull out of its hat, on request, even to bringing radio photos of military action in Ethiopia within twenty-four hours."

X X X X X X X X X X

INDUSTRY NOTES

O. K. Bevins, of Fort Thomas, Ky., formerly an air mail pilot, crashed to his death near Mason, Ohio, last Friday while flying in a heavy fog. Residents near the scene of the crash told Marshal Richard Coxthe plane struck an antenna-tower of the Crosley Radio Corp., and then smashed to the earth about 600 ft. away.

What electrical engineers are doing to music is told by John Mills, a member of the technical staff of the Bell Telephone Laboratories, in a new book, "A Fugue In Cycles And Bels". Mr. Mills declares that electrical and synthetic music is in the future. The book is published by D. Van Nostrand Company, Inc., 250 Fourth Avenue, New York City, and the price is $3.00.

WOR commercial programs for the four Summer months of 1935 showed an increase of 70% over 1934. The four months given were June, July, August and September, when a total of 676 hours and 53 minutes were used for commercial programs, compared to 397 hours and 47 minutes in 1934 for the same period. This shows an increase of 279 hours and 6 minutes.

The British Broadcasting Company announces that, contrary to certain reports, it has no intention of dismantling the long-wave transmitter at Droitwich, which at present radiates the National program daily on a wavelength of 1,500 metres with a power of 150 kilowatts in the aerial. No reconstruction of the station has been carried out nor is it intended. Contrary to reports, the plant at Droitwich is not out of date but is, in the opinion of the BBC, an example of the most modern technique in the design and construction of a long-wave broadcasting transmitter.

Lester Gootlieb, former radio editor of News-Week magazine, has replaced H. Bruce Fouche, in the Press Department of WOR, handling all commercial accounts.

Aviation officials from Latin-America countries, visiting the United States as part of the celebration of Air Navigation Week, were the guests of Gen. James G. Harbord, Chairman of the Board of the Radio Corporation of America, and David

Sarnoff, President, at a dinner last Friday night on the 64th floor of the RCA Building. General Harbord was toastmaster.

Informal discussion centered on the advance of radio in its relation to aviation. The Latin-American delegates, on their way to New York from Washington, had visited the RCA Manufacturing plant at Camden, N. J., and observed the latest developments in radio equipment.

X X X X X X X X X

WSPD TO MEASURE POWER THROUGH ANTENNA

Station WSPD, the Toledo Broadcasting Co., at Toledo, Ohio, has applied for authority to determine operating power by direct measurement of antenna.

X X X X X X X X X X

JEWETT TO PUT NEW LIFE INTO N. Y. MUSEUM

The election of Dr. Frank B. Jewett, President of the Bell Laboratories, President of the New York Museum of Science and Industry is expected to be a forerunner of considerable expansion of the project.

The museum will be established in new permanent quarters in the exhibition galleries known as the Forum in the RCA Building of Rockefeller Center, and a long-term program of development will be initiated.

The new Trustees elected were Gerard Swope, President of the General Electric Company; Thomas J. Watson, President of International Business Machine Company; Newcomb Carlton, Chairman of Western Union Telegraph Company; Edward R. Stettinius, Jr., Chairman of the Finance Committee of the United States Steel Corporation, and Nelson A. Rockefeller, son of John D. Rockefeller, Jr.

The museum is endowed by a large bequest left by Henry R. Towne, who was instrumental in the formation in 1914 of an association to establish and maintain a scientific museum.

X X X X X X X X X

"Years ago we made telephones", said the Boston lawyer, who is a former president of the Radio Manufacturers' Association, and the Audial Research Foundation, formed to protect independent manufacturers in their relation to patent pools.

"We sold this equipment mostly to mills for both inside service and service between building and building outside. The outside circuits were owned by the Bell companies, and they informed us that they could not give us their wires but felt that in the interests of service they should control all the machines."

Driven from the telephone business, the Samson Company eventually went into other lines, among them the building of amplification systems and public address systems which the company sold in great quantities to schools and theatres.

"The Electrical Research Products Company never threatened us directly", Mr. Colby said. "However, its representatives told these various school authorities and theatre owners that if they bought equipment other than that developed by Western Electric they would bring a suit in the courts. That constituted intimidation such as the small theatre owner could not resist, and the result was that we as well as other independents lost that business.

"The point I wish to make is this", he continued, "No great public utility existing by reason of a franchise granted by the people should be allowed to utilize by-products having nothing to do with the franchise to compete with and drive out of business independent private companies not existing under a monopoly provided by a franchise."

In answer to questions by Representative Randolph Perkins of New Jersey, Mr. Colby said that he could not state that Western Electric or its subsidiary had forced his company to close its doors.

Joseph A. Numero, official of the Cinema Supplies Co. of Minneapolis, testified that his company had gone through experiences similar to those of the Samson Company. He added that the company was still in business and admitted that he was not in litigation with members of the patent pool over ten alleged infringements.

X X X X X X X X X X

George Bijur, who has resigned as Columbia Director of Sales, will head his own organization, specializing in advertising and sales promotion counsel. Offices will be opened November 25 at 110 West 40th Street. Among his clients will be the Bijur Lubricating Corporation, of Long Island City, automotive and industrial equipment manufacturers, and Bing & Bing, Inc., builders and operators of real estate and hotels.

X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF OCTOBER 26, 1935

No. 871

WESTINGHOUSE STATIONS SEEK TELEVISION CHANNELS

KDKA and its related Westinghouse stations, WBZ in Boston, and KYW in Philadelphia, are hunting for clear television channels, according to S. H. Steinhauser, Radio Editor of the Pittsburgh Press. Which explains, in a few words the addition of Ultrashortwave Station W8XKA as the second complement of KDKA; Shortwave station W8XK is the other.

"Located atop the Grant Building in Pittsburgh, the tiny ultrashortwave transmitter looks like an insulated box less than three feet square," Mr. Steinhauser writes. "Extending towards the sky, is what resembles a flag pole but is an antenna.

"In the ultra high frequencies of the 5 meter band reached by the new shortwave unit, stations are 100 kilocycles apart. The waveband itself is 5000 kilocycles wide. On the standard wave band stations are operating on 'split hairs', often riding on each other's carrierwave. The standard band is 100 kilocycles wide, or one-fiftieth the width of the ultra shortwave band.

"Which is a way of saying - and we hope in non-technical language - on the authority of those who know radio's technicalities, that W8XKA in Pittsburgh, W1XKA in Boston, and W3XKA in Philadelphia, are searching for a place in the air where there is no interference. And that little word 'n' means just what it says. If there is the slightest disturbance to interfere with broadcasting of a television picture or scene there will be no television.

"Television has been 'just around the corner' for several years. This column has always insisted that it was years and years away. Today that is truer than ever, the American Telephone and Telegraph Company having dropped its plans to lay a 'coaxial cable' between New York and Philadelphia. The Communications Commission set certain conditions for the use of the cable and its sponsors didn't care to comply. They knew that use of a cable meant wired sending of pictures, which is not television.

"KDKA and its associated stations would like to reach above and beyond earthly interference. The experimental stations, now in operation are for that purpose and nothing else.

What they will add to the science of broadcasting 'remains to be seen' and that's no joke.

"If you want to hear either of the Westinghouse ultrashortwave stations you'll find them operating on 55.5 megacycles on your all-wave sets."

X X X X X X X X

McNARY GIVEN LEAVE

James C. McNary, Technical Director of the National Association of Broadcasters, has been given a leave of absence by the Association to act as technical adviser to the clear channel group in connection with the study being given to the secondary coverage survey by the Federal Communications Commission.

This secondary coverage survey was undertaken more than a year ago under a cooperative arrangement between the FCC and a group of stations. At the second conference held in November 1934, between representatives of the Commission and the stations, Mr. McNary was designated as coordinator by all participants and has been closely identified with the collection of technical data since that time.

The fact finding survey having been completed, the next step involves interpretations of the data which have been collected. To perform this task, certain of the participating stations have requested that Mr. McNary be relieved by the National Association of Broadcasters so that he may devote his full time in their interests. It was explained by James W. Baldwin, Managing Director, that under this arrangement the NAB is not committed to any proposals which may be made.

There are several conflicting reports regarding the clear channel survey. One is that the Commission will issue a preliminary order. Another is that it will be 30 days before the engineering results can be appraised and another 30 days before the Commission will be heard from.

X X X X X X X X X X

SHORT-WAVE SET DEMAND BRINGS RADIO BOOM

The fact that sales of radio sets this year may surpass the all-time peak established in 1929, is attributed by Dun & Bradstreet, Inc., in their survey to the popularity of the all-wave set. Some of the leading manufacturers, according to this agency, have completed plans to expand production from 60 to 100 per cent next year in order to meet the growing demand for short-wave models.

With buyers interested almost exclusively in all-wave radio sets, sales for the nine months of 1935 have averaged 40 to 80 per cent in excess of the comparative 1934 totals. Taking 30 per cent as the increase for this year, which would be low, in view of the heavy movement during the final quarter, sales for 1935 will reach 5,309,000 units, based on 1934 sales of 4,084,000. This would establish a new high, as it would surpass the record of 4,438,000 units which has held since 1929.

The popular response to the introduction of metal tubes has brought new delivery difficulties, while the backlog of orders has become heavier, because of the general desire to replace obsolete sets with models equipped for either all-wave reception or with one or more frequency bands.

In fact, the huge potential replacement market which has been created by the perfection of sets affording users the benefits of short and long wave reception is considered sufficient to sustain demand at a broadening rate until television or some other outstanding idea will have invaded the market. The stronger financial position of the buying public is indicated by the attitude of finance companies that now are soliciting radio paper, after a decided lack of interest in it for more than three years.

The increased output has been chiefly in the more expensive models, particularly the console type, the larger size of all receivers indicating the passing of the small midget, with its limitations as to tone, volume and selectivity.

The insatiable avidity with which the growing "audience of the air" follows either old favorites or new programs is revealed by the expansion in radio network advertising. For each month this year broadcast advertising has surpassed that of all comparative periods, reaching an all-time high of $4,822,000 in March. In spite of the seasonal downtrend that followed, the total for the eight months of 1935 was $31,615,000, a gain of 18.4 over 1934, and a rise of 66.6 per cent and 14.9 per cent from 1933 and 1932.

X X X X X X X X

10/26/35

GREBE DIES - ONLY 40 YEARS OLD

Although only 40 years old, though one of the pioneers of radio, Alfred H. Grebe, President of the old Grebe Radio Company, one of the first to enter the radio manufacturing and broadcasting field, died following an operation, in New York, Thursday.

Mr. Grebe first became fascinated with the mechanics of wireless as the age of 14 and by the time he was 15 he was a licensed commercial operator. At the request of friends he made a few receiving sets for them when the radio fever first began to take hold of the nation. After making a few of these machines, Mr. Grebe decided to go into commercial production of radio sets.

To stimulate public interest in radio, Mr. Grebe established several broadcasting stations, including WAHG, WBOQ, and several experimental stations. The first-named station derives its last three initials from those of Mr. Grebe. On Nov. 1, 1926, WAHG became one of the first commercial stations under the name of WABC. The Atlantic Broadcasting Corporation, with Mr. Grebe as President, operated it until the Columbia Broadcasting System, the present owners, acquired the station in January, 1929.

Many programs broadcast from WABC during its early history drew letters of appreciation from all parts of the nation and from Alaska.

Mr. Grebe was born in Richmond Hill, L.I. in 1895, a member of a family that was among the early settlers in that area. His birthplace is now the site on which stands his radio factory, surmounted by the massive radio towers of his original radio station. Self-educated, Mr. Grebe devoted a large part of his life to radio research.

Surving are his widow, two daughters and a son. Funeral services will be held on Sunday at 2:30 P.M. at the Grebe home at 88-89 195th Place, Hollis, L. I.,(on Oct. 27).

X X X X X X X X

FCC MAKES ANTENNA IMPROVEMENT COMPULSORY

As a further step in its campaign to require broadcasters to improve their antenna systems, the Federal Communications Commission has adopted the following rules:

"(a) All applicants for new, additional, or different broadcast facilities and all licensees requesting authority to move the location of the station shall specify a radiating system the efficiency of which complies with the requirements of good engineering practice for the class and power of the station.

"(b) The Commission will publish from time to time specifications deemed necessary to meet the requirements of good engineering practice.

"(c) No broadcast station licensee shall change the physical height of the transmitting antenna, or supporting structures, or make any changes in the radiating system which will measurably alter the radiation patterns except upon written application to and authority from the Commission.

"(d) The antenna and/or supporting structure shall be painted and illuminated in accordance with the specifications supplied by the Commission pursuant to Section 303(q) of the Communications Act of 1934."

X X X X X X X X

SEES BROADCASTERS CENSORSHIP RESPONSIBILITIES HEAVY

If, in many ways, the broadcasters seem unduly timid - if they shy at the serious discussion of important controversial matters, particularly when they involve any of the popular taboos, while tolerating all sorts of cheap vulgarity in programs of alleged entertainment, it must be remembered that a network, and also each individual station associated with it, may be held liable by the courts for any defamatory utterance it sends out, even though it may show that it had no possible way of knowing that such defamation was contemplated, Henry A. Bellows writes in the November issue of Harper's Monthly Magazine. Likewise, it is liable in the court of public opinion for anything that may be regarded as offensive - and the radio audience is a very different matter from the more or less selected body of readers of any publication.

"The fact that broadcasting is inherently a limited monopoly - as the press, for example, is not - lays a heavy burden of social responsibility on the broadcasters, and particularly on the heads of the two major networks", Mr. Bellows goes on. "The potential discretionary power today in the hands of Mr. Aylesworth and Mr. Paley, presidents of the two chain companies, is probably a good deal more than any two private indi-

viduals ought to have. That they have so far used it on the whole discreetly does not materially alter the case. The principal restraining influences are two: sensitiveness to public opinion, and, still more, the ever-present fear that the government may commandeer some or all of their facilities. But even with these restrictions, the opportunity for effective censorship through exclusion is very broad, and any such concentration of power in the hands of people who use it in connection with money-making has manifest dangers.

"These dangers are certainly not lessened by the fact that the networks and stations alike, as commercial undertakings, are solely dependent on advertising revenues. That, up to now, there has been singularly little complaint, or ground for it, of influence by the advertisers over the non-commercial policies of the broadcasters is thoroughly creditable to both; but the fact remains that every cent that goes to defray the cost of radio programs and facilities comes out of some advertiser's pocket. The reader of a newspaper at least pays his two or three cents for it, and the newspaper publisher with a large paid circulation is emboldened thereby in an emergency to look his advertisers squarely in the eye. A radio station, despite repeated efforts to prove the contrary, has no such dependable measure of its acceptance by the public, nor do its listeners directly contribute a single penny toward its maintenance. So far the advertisers have commendably kept hands off, but their control of the purse-strings puts yet another load of social responsibility on the broadcaster's shoulders.

"Enough has been said - and the incidents could be multiplied indefinitely - to demonstrate that the only possible answer to the question 'Is radio censored?' is an unqualified 'Yes'. It is censored by the Federal Communications Commission, despite the law, through interference with program quality and content, made possible by the threat of refusal to renew licenses; it is censored by the broadcasters themselves because, owing to the limitation of facilities, they cannot do otherwise."

(The title of Mr. Bellows' article from which the above is taken, is "Is Radio Censored?").

X X X X X X X X X

CROSLEY TO ADD THREE HIGH FREQUENCY PICK-UP TRANSMITTERS

For the purpose of picking up outside broadcasts of football matches, golf tournaments, and other events where wires are not available, and for the purpose of transmitting them to the main sending station of WLW, at Cincinnati, the Crosley Radio Corporation has applied to the Federal Communications Commission for construction permits and licenses for three new portable-mobile transmitters to be operated experimentally. They request 31,100, 34,600, 37,600, 40,600 kilocycles with 5, 1 and 2 watts respectively.

X X X X X X X X

HEARING OPENS ON WLWL REQUEST FOR FULL TIME

Two Catholic broadcasting stations are fighting for better facilities, and scrapping between themselves, in a hearing involving more than three score stations before the Broadcast Division of the Federal Communications Commission. The hearing opened yesterday (Oct. 24) and was expected to continue into next week.

WLWL, operated by the Missionary Society of St. Paul the Apostle, New York, is seeking to change its frequency from 1100 kc. to 810 kc. with unlimited time and its present 5 KW power. WWL, operated by Loyola University, a Jesuit institution, at New Orleans, wants permanent authority to operate full time on 850 kc. with 10 KW.

The hearing is likely to have repercussions at the next session of Congress because of the influence of Father J. B. Harney, of WLWL, who has been a leader in the demand for more broadcasting facilities for educational and religious stations.

George O. Sutton, attorney for WLWL, presented several Catholic clergymen, representing Cardinal Hayes, Bishop Malloy, of Brooklyn, and Bishop Walsh, of Newark, to show that all Catholic interests in the vicinity of New York City are cooperating in utilizing WLWL.

He also introduced evidence that WWL, while an educational station, has been carrying accounts sponsored by patent medicine firms and similar remedies. Dr. Matthew White Perry, prominent Washington physician, testified as to the falsity of the sponsors' claims and the valuelessness of the products.

Engineering testimony was offered to show that WCCO, of Minneapolis, one of the two stations operating on the clear channel of 810 kc., is not heard distinctly in New York. WNYC, operated by the city of New York, is the other station on 810 kc. It operates daytime with 500 watts.

X X X X X X X X

SOUTHERN STATIONS' POWER REQUEST VETOED

Examiner Ralph L. Walker, recommended that the application of the Pape Broadcasting Corporation, Inc., Station WALA, of Mobile, Ala., and the Eagle Broadcasting Co., KGFI, of Corpus Christi, Texas, for power increases be denied.

WALA, operating on 1380 kc., with 500 watts power at night, sought to have this increased to 1000 watts. KGFI, on 1500 kc., with 100 watts night, requested the frequency of 1380 kc., now being used by WALA, and 1000 watts power at night.

The Commission, having failed to reach a finding that the granting of the application would serve public interest, had designated them for a hearing.

John M. Littlepage and Thomas P. Littlepage, Jr., appeared for Station WALA, W. E. Pope for Station KGFI, and Frank D. Scott, for Station KMBC.

X X X X X X X X

FCC TO INVESTIGATE U.S. ANGLE OF BRITISH RADIO CENSORSHIP

After once deciding to have nothing to do with Great Britain's cancellation of the transmission of a radio broadcast by Baron Aloisi, Italian diplomat, from Geneva, the Federal Communications Commission voted on October 23rd to investigate the American Angle of the censorship of ether waves.

A resolution, proposed by Commissioner George Henry Payne, read as follows:

"I move that the Commission obtain the facts as far as they relate to the American communications companies under regulation of this Commission, as to the alleged cancellation of a broadcast to this country from Geneva by Delegate Baron Pompeo Aloisi on October 10, 1935."

Earlier, Anning S. Prall, Chairman of the Commission, declared that the Commission considered the matter something for the State Department to investigate.

The broadcast was picked up by the RCA Communications station at Riverhead, L.I., and to have been rebroadcast by the Columbia Broadcasting System.

X X X X X X X X

WOULD ALLOW MICHIGAN STATE COLLEGE TO CHANGE FREQUENCY

A favorable recommendation has been made by P. W. Seward, Examiner of the Federal Communications Commission, on the application of WKAR, owned and operated by the Michigan State College, at East Lansing, Mich., for a change of frequency from 1040 kc. to 850 kc., with 1000 watts power to operate daytime until sunset with WWL, New Orleans, which would share the 850 kc. channel. Station WKAR, operating on its present frequency, experiences serious interference from other stations in the delivery of its programs to the farmers, particularly from Station WTIC, Hartford, Conn., in the late afternoon, and CKLW, Windwor, Ontario, operating on the same frequency.

The Examiner's conclusion was that the interests of no existing station would be adversely affected by reason of interference if the application were granted, adding that no interference would be expected with Stations WENR and WLS, Chicago, if the Michigan College station operated to local sunset only.

X X X X X X X X X

ZWORYKIN DESCRIBES NEW TELEVISION TUBE

A small radio tube, which catches an energizing light or radio impulse and multiplies it millions of times was described and demonstrated before the Institute of Radio Engineers at 330 West 42nd St., New York City, last night (Oct. 22) by Dr. V. K. Zworykin, Dr. George A. Morton and Louis Malter of the RCA Laboratories.

Tests made indicate application of the tube to any problem of electrical amplification requiring exceedingly high "gain" at noise levels far below the present types of amplifying tubes, including television scanning.

The device is suitable for amplifying either direct current, or alternating current of any frequency, and the circuit in which it operates is one of extreme simplicity. The tube marks a distinct advance in the utilization of what technicians refer to as "secondary emission", a principle by which the impact of electrons emitted by a cathode release other electrons from a series of succeeding electrodes in every increasing volume.

The new tube may be provided with either a photo-electric cathode or the usual thermionic cathode, such as that used in the radio tubes of home receivers. In a demonstration of the new device, the RCA scientists employed a tube with photo-electric cathode. The energizing impulses were provided by a neon glow tube, connected to the magnetic pick-up of an electric phonograph. The dull light thus generated, fluctuating in accordance with the music of the record, was focussed on the photoelectric element of the new tube, which converted it into electrical energy and amplified it enormously. It produced an output of two to three watts for the direct operation of a loudspeaker, through which the recorded music was reproduced.

X X X X X X X X

OFFICIALS BARRED IN INTERLOCKING DIRECTORATE RULING

The Federal Communications Commission on October 23rd, denied the applications of eight more persons connected with the American Telephone and Telegraph Company and its subsidiaries to serve as officers or directors of more than one company. They are:

Charles P. Cooper, Bancroft Gherardi, Robert H. Straham, Robert W. Curran, David F. Houston, Eugene S. Wilson, W. Cameron Forbes, Arthur W. Page.

An order is to be issued by the Commission, in keeping with the foregoing action, making the effective date 60 days hence.

X X X X X X X

FRANK BLACK DECORATED BY FRENCH GOVERNMENT

American broadcasting was honored by a foreign government last Wednesday (Oct. 23) when Dr. Frank Black, General Music Director of the National Broadcasting Company, was made an Officer with Palms of the French Academy.

On behalf of the French Minister of Public Instruction, Dr. Isidor Philipp who just arrived on the S.S."Normandie", himself an Officer of the French Academy and an Officer of the Legion of Honor, presented Dr. Black with this distinguished French decoration. The decoration which accompanied Dr. Black's commission by the French Academy consists of crossed silver palm leaves set in rubies.

This honor has been conferred upon the radio conductor in recognition of his services to French artists and for promoting a wider knowledge of French music in the United States via radio.

As a personal tribute to Dr. Black, Dr. Philipp presented him with a first edition of Mendelssohn's "Italian Symphony" which Camille Saint-Saens had bequeathed to him, and a photostatic copy of the manuscript score of Granados' opera, "Goyescas", which that Spanish composer had autographed and presented to Philipp just before setting sail on his last and fatal ocean voyage.

X X X X X X X X

CY COLBY ACCUSES E.R.P.I. OF FORCING HIM OUT OF BUSINESS

C. C. Colby, now an attorney in Boston, and for a number of years President of the Samson Electric Company, testifying before the House Patents Committee, of which Congressman William I. Sirovich, is Chairman, in New York City, indirectly charged Electrical Research Products, Inc., with forcing his company out of existence two years ago after a manufacturing career of about fifty years.

Mr. Colby told the history of hiscompany, of its loss of business through what he charges was the intimidation of his logical customers - small theatres all over this country - by representatives of the Electrical Research Products, Inc., a subsidiary of Western Electric. The subsidiary, he said, deals in sound equipment for theatres and other developments from the researches of Bell Laboratories.

This intimidation was made possible, Mr. Colby said, because "E.R.P.I." as the bi-products corporation is called, controlled patents enough so that its representatives could threaten theatre owners with suits for infringement.

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF OCTOBER 29, 1935.

No. 872

October 29, 1935.

QUOTA FACILITIES DUE AND ASSIGNED TO BROADCAST STATIONS

The following quota facilities due and assigned to broadcast stations are in effect as of October 21, 1935:

FIRST ZONE - NIGHT

State	Due	Assign.	Units over or under
Conn.	2.13	1.92	- 0.21
Del.	0.32	0.20	- 0.12
D.C.	0.64	0.60	- 0.01
Maine	1.06	0.99	- 0.07
Md.	2.16	1.98	- 0.18
Mass.	5.63	5.16	- 0.47
N.H.	0.62	0.43	- 0.19
N.J.	5.36	4.105	- 1.255
N.Y.	16.69	18.23	+ 1.54
R.I.	0.91	0.90	- 0.01
Vt.	0.48	0.56	- 0.08
Total	36.00	35.075	- 0.925

FIRST ZONE - DAY

State	Due	Assign.	Units over or under
Conn.	3.85	3.44	- 0.41
Del.	0.57	0.33	- 0.24
D.C.	1.16	0.90	- 0.26
Maine	1.91	1.42	- 0.49
Md.	3.91	4.10	+ 0.19
Mass.	10.17	6.75	- 3.42
N.H.	1.11	0.80	- 0.31
N.J.	9.67	5,055	- 4.615
N.Y.	30.14	21.16	- 8.98
R.I.	1.65	1.00	- 0.65
Vt.	0.86	0.86	- 0.00
Total	65.00	45.815	-19.185

SECOND ZONE - NIGHT

State	Due	Assign.	Units over or under
Ky.	3.38	3.95	+ 0.57
Mich.	6.25	5.05	- 1.20
Ohio	8.58	9.83	+ 1.25
Pa.	12.43	12.38	- 0.05
Va.	3.13	4.65	+ 1.52
W.Va.	2.23	2.19	- 0.04
Total	36.00	38.05	+ 2.05

SECOND ZONE - DAY

State	Due	Assign.	Units over or under
Ky.	6.10	4.25	- 1.85
Mich.	11.28	6.66	- 4.62
Ohio	15.50	12.31	- 3.19
Pa.	22.45	14.85	- 7.60
Va.	5.64	6.19	+ 0.55
W.Va.	4.03	4.30	+ 0.27
Total	65.00	48.56	-16.44

THIRD ZONE - NIGHT

State	Due	Assign.	Units over or under
Ala.	3.32	2.735	- 0.585
Ark.	2.32	2.67	+ 0.35
Fla.	1.84	3.65	+ 1.81
Ga.	3.64	4.26	+ 0.62
La.	2.63	5.40	+ 2.77
Miss.	2.52	1.32	- 1.20
N.Car.	3.97	4.19	+ 0.22
Okla.	3.00	3.51	+ 0.51
S.Car.	2.18	1.30	- 0.88
Tenn.	3.28	6.05	+ 2.77
Texas	7.30	11.14	+ 3.84
Total	36.00	46.225	+10.225

THIRD ZONE - DAY

State	Due	Assign.	Units over or under
Ala.	5.99	4.685	- 1.305
Ark.	4.19	4.75	+ 0.56
Fla.	3.32	5.30	+ 1.98
Ga.	6.58	5.20	- 1.38
La.	4.75	5.60	+ 0.85
Miss.	4.55	2.42	- 2.13
N.Car.	7.17	4.85	- 2.32
Okla.	5.42	5.20	- 0.22
S.Car.	3.93	2.70	- 1.23
Tenn.	5.92	7.65	+ 1.73
Texas	13.18	14.06	+ 0.88
Total	65.00	62.415	- 2.585

FOURTH ZONE - NIGHT

State	Due	Assign.	Units over or under
Ill.	10.14	11.14	+ 1.00
Ind.	4.30	3.64	- 0.66
Iowa	3.28	5.37	+ 2.09
Kans.	2.50	2.49	- 0.01
Minn.	3.41	4.18	+ 0.77
Mo.	4.82	5.24	+ 0.42
Nebr.	1.83	2.21	+ 0.38
N.Dak.	0.90	0.90	+ 0.00
S.Dak.	0.92	0.86	- 0.06
Wisc.	3.90	3.37	- 0.53
Total	36.00	39.40	+ 3.40

FOURTH ZONE - DAY

State	Due	Assign.	Units over or under
Ill.	18.30	15.82	- 2.48
Ind.	7.77	5.69	- 2.08
Iowa	5.93	8.26	+ 2.33
Kans.	4.51	3.77	- 0.74
Minn.	6.15	5.77	- 0.38
Mo.	8.70	9.64	+ 0.94
Nebr.	3.30	6.02	+ 2.72
N.Dak.	1.63	1.35	- 0.28
S. Dak.	1.66	2.13	+ 0.47
Wisc.	7.05	6.43	- 0.62
Total	65.00	64.88	- 0.12

FIFTH ZONE - NIGHT

State	Due	Assign.	Units over or under
Ariz.	1.32	1.27	- 0.05
Calif.	17.18	19.47	+ 2.29
Colo.	3.13	4.61	+ 1.48
Idaho	1.35	1.50	+ 0.15
Mont.	1.63	2.15	+ 0.52
Nev.	0.27	0.30	+ 0.03
N.Mex.	1.28	1.13	- 0.15
Ore.	2.89	4.12	+ 1.23
Utah	1.54	3.30	+ 1.76
Wash.	4.73	7.63	+ 2.90
Wyo.	0.68	0.40	- 0.28
Total	36.00	45.88	+ 8.88

FIFTH ZONE - DAY

State	Due	Assign.	Units over or under
Ariz.	2.38	1.69	- 0.69
Calif.	31.02	23.37	- 7.65
Colo.	5.66	5.25	- 0.41
Idaho	2.43	2.05	- 0.38
Mont.	2.94	2.95	+ 0.01
Nev.	0.49	0.30	- 0.19
N.Mex.	2.31	2.95	+ 0.64
Ore.	5.21	6.19	+ 0.98
Utah	2.78	3.30	+ 0.52
Wash.	8.54	9.39	+ 0.85
Wyo.	1.24	0.40	- 0.84
Total	65.00	57.84	- 7.16

X X X X X X X X X X

CALDWELL WARNS PUBLIC AGAINST RADIO GYPS

Orestes H. Caldwell, addressing the New York convention of Radio Service Men, outlined some of the gyp practices now being used to mislead innocent purchasers.

"Seven-tube" radio sets are advertised at bargain prices, but on examination it may be found that one or two of the tubes are not even connected and have no part in the set's operation. A receiver found on the cut-price market this year employs one metal tube with eight prongs, but only two of the prongs are wired up, and inside the tube a jumber wire connects the prongs together. Obviously the tube is a dummy, and is there only to mislead the unwary. The new metal tubes make it more difficult than ever to detect deceptions of this kind, since the operation of the tube filament cannot be seen, although after a few minutes its heating can be felt. Another "racket" is to point out the new plugged-in resistors, condensers, etc., to the cutomer as "metal tubes" and to count these as "tubes" in adding up an impressive total of tube equipment!

Name os leading brands are simulated by hyphenating them with qualifying adjectives, to make the purchaser think he is getting a standard set. Standard sets are broken up, and the cabinet, chassis and speaker are combined with "loft-made" parts, so that the unprincipled seller then has three complete sets on each of which he can point out the genuine trade-marked component, intimating that each whole set is factory-assembled.

Street-hawkers are gypping the public with "static eliminators" and interference removers. Most of these highly-colored containers are filled only with sand, and their attachments are useless. They are demonstrated, however, on curb-side autos with the aid of an ingenious tension switch, which automatically introduces fearful interference when the "eliminator" is out of circuit, but wipes the circuit clear of noise when the gadget is inserted in the antenna.

X X X X X X X X X

SENATOR INVESTIGATED IN RADIO CASE

The income tax returns for 1930 of former Senator James E. Watson, of Indiana, and Republican leader of the Senate, is under investigation, the allegation being made that he received a fee for securing a license agreement for the old Grigsby-Grunow Company, a matter of $73,000, which he failed to report in his income return. The investigation followed the indictment of Jacob R. Finkelstein, former campaign manager,for the Indiana political leader. Mr. Finkelstein was indicted Oct. 25 in Chicago for alleged failure to pay $39,028 in income taxes in 1929 and 1930. His income for those years was $190,593, and $96,752, the Government alleges.

The Government charged that Finkelstein reported no taxable income in those years, but that he had in fact received at least half of two fees, one of $50,000, and the other of $23,000, paid by B. J. Grigsby, a radio executive, to Mr. Watson.

Mr. Watson's attorney, Samuel A. King, who is a brother of Senator King, said that the sums in question were a direct gift, not fees, from Mr. Grigsby to Mr. Watson, made in recognition of the introduction of Mr. Grigsby by Mrs. Watson to officials of the Radio Corporation of America. An agreement between the RCA-Grigsby-Grunow radio interests covering the usage of patented articles resulted, Mr. King said.

"This is simply a dispute between an American taxpayer and the Government", Mr. Watson said. "The Government claims I owe it more money than I know I owe it. I thought the matter had been disposed of. The matter was called to my attention a year and a half ago. I then went to the income tax unit and demanded a hearing, which was granted.

"I explained that my tax returns had been made out by Mr. Packard, who was employed by the income tax unit and that I had given him my full returns. Subsequently, another member of the unit came to me and I went over with him my income. He told me that out of abundance of caution I should pay $200 more tax. This I did and I thought the entire matter had been adjusted. I am not conscious of having violated any law or made any mistake.

"I was Republican leader of the Senate. I would have been a great fool to engage in tax evasion. Even if I had had no moral scruples, I would have had too much political sense for that."

Another report stated that Senator Watson had received a fee of $73,000, which he had split with Mr. Finkelstein, and an additional $28,000 profit on 500 shares of Grigsby-Grunow stock which he also had divided with Finkelstein. The Senator was quoted as saying that he had given the latter half of the last named amount simply out of friendship because Mr. Finkelstein had given him half of a previous fee of $25,000, though the Senator did not say how the $25,000 had been earned.

X X X X X X X X X X

AMERICAN RADIOS LEAD IN INDIA

United States manufacturers of radio sets have made notable progress in India, a report to the Commerce Department from its Calcutta office shows.

The Dutch interests producing the "Philips" radio are becoming increasingly active in the Indian market. They are sending representatives to various parts of the country and are conducting an extensive advertising campaign. While sales of Philips radios have gradually increased in the past three years, the total in 1934-35 represented only 10 per cent of the Indian demand as compared with 30 per cent for American radios.

X X X X X X X X X X

NEW CLEVELAND STATION SOUGHT

The American Broadcasting Corporation of Cleveland has applied for a construction permit to erect a new broadcast station in Cleveland, to be operated on 880 kilocycles, 1000 watts power, unlimited time.

X X X X X X X X X X

PROTEST WLW CUTTING OFF WASHINGTON COMMENTATORS

Protests were lodged with the Federal Communications Commission by prominent Senators and Representatives resulting from the action of Station WLW, in Cincinnati, discontinuing for one broadcast a twice-a-week program of news comment by Drew Pearson and Robert S. Allen, co-authors of the daily newspaper column, "Washington Merry-Go-Round", allegedly because of reference which did not meet the station's approval.

The program was omitted last Saturday night and reinstated Tuesday. The 500,000-watt station gave no explanation for either the omission or the resumption.

Complaints were made to the Commission by Chairman Fletcher (D.,Fla.) of the Senate Banking Committee, Chairman Wheeler (D., Mont.) of the Senate Interstate Commerce Committee, Senators Norris (R.,Neb.), Nye (R.,N.D.), Clark (D.,Mo.) and Byrnes (D., S.C.), and Representatives Maverick (D.,Tex.) and Bland (D.,Va.). Some of the protests asked revocation of the station's license.

Chairman Anning S. Prall of the Communications Commission said he regarded the matter as one to be settled by the station and the program's sponsor, the Gruen Watch Co., of Cincinnati. The Commission, he said, probably will take no action.

"The dispute is strictly one involving continuity of the program, in which the Commission has no official interest", Prall said.

WLW, it was reported, had threatened to discontinue the Pearson-Allen program after a recent broadcast in which the columnists said the LeBlond Machine Co., of Cincinnati, was manufacturing a large number of metal lathes to be shipped to Italy, probably for use in munitions manufacture.

In the broadcast of Oct. 15, the commentators made what apparently were regarded as uncomplimentary references to Joseph Green, of Cincinnati, a State Department official, and recalled a story often repeated in Washington that the grandfather of Secretary of State Hull once killed a personal enemy. The Mutual Broadcasting Co. then was notified that WLW had decided to discontinue the broadcasts.

Senator Fletcher's wire said he regarded exclusion of the program as an "unwarranted invasion" of the right of free speech. RepresentativeMaverick said he was a good friend of Secretary Hull and did not believe the program was offensive to the Secretary.

"Even if it was offensive to Mr. Hull, there is no reason why the program should be denied the freedom of the air", he said.

Senators Wheeler, Nye, Byrnes and Clark wired their protest from aboard the ship on which they are bound for the Philippines.

The American Civil Liberties Union recently charged that WLW had issued orders to news broadcasters to refrain from mentioning strikes.

X X X X X X X

DR. JOLLIFFE RESIGNS TO BECOME CHIEF ENGINEER FOR RCA

Dr. C. B. Jolliffe, Chief Engineer of the Federal Communications Commission, will tender his resignation tomorrow (October 30) to accept the position of Chief Engineer of the Radio Corporation of America in charge of the allocation of frequencies.

One of the outstanding radio engineers in the country, Dr. Jolliffe has been with the Communications Commission and its predecessor, the Federal Radio Commission, for five and a half years. His position with RCA will place him in control of the allocation of all frequencies held by RCA subsidiaries.

Dr. Jolliffe will leave the Commission about the middle of next month or possibly as soon as his successor can be chosen.

It could not be learned, prior to the Commission's acceptance of the resignation, who may be named to replace Dr. Jolliffe. The name of Dr. J. H. Dellinger, Chief of Radio Research at the Bureau of Standards, has been mentioned, as it was when Dr. Jolliffe was originally appointed by the Federal Radio Commission. However, there has been no indication that Dr. Dellinger would accept the post if offered to him.

Dr. Jolliffe has two assistants, either of whom is in line for promotion. They are Andrew Ring, Broadcast Engineer, and Lieut. E. K. Jett, Short Wave Engineer.

X X X X X X X X X

EASTERN STATIONS APPLY FOR EXPERIMENTAL PERMITS

The Shepard Broadcasting Service at Quincy, Mass., E. Anthony & Sons at Fairhaven, Mass., and the Monumental Radio Co., at Baltimore, Md., have applied for construction permits for general experimental stations for 31600, 35600, 38600, 41000 kilocycles, 500 watts, 100 watts and 300 watts respectively.

X X X X X X X X

A. T. & T. ASKS FOR REHEARING ON FCC COAXIAL CABLE ORDER

Discontent of the American Telephone & Telegraph Co. with the order of the Federal Communications Commission in the coaxial cable case took definite form today (Oct. 29) when a petition for rehearing was filed.

Commissioner Paul A. Walker, Chairman of the Telegraph Division of the Commission, said that no decision probably will be reached as to whether the case shall be reopened for two weeks or more.

The petition was filed as a protest to an authorization of the Commission last Spring to the A. T. & T. The order permitted the telephone company to install the coaxial cable, upon which possibly depends the success of commercial television, between New York and Philadelphia but denied the A.T.&T. exclusive right to experiment on the cable. Since then the telephone company has refused to make the installation and threatened to drop the experiments.

The A. T. & T. in its petition asks the Communications Commission to dismiss the order and to grant a rehearing. It explains it has no objection to a reasonable order, or a modification of the previous order, although at the same time the telephone company questions the jurisdiction of the Communications Commission in the matter.

The FCC order would confiscate property of the A. T. & T. without due process of law and violates the spirit of the Fifth Amendment to the Constitution, the petition contends, in that it would make the coaxial cable available to rival communications companies.

X X X X X X X X

WOULD DENY SURBURBAN CHICAGO STATION APPLICATION

An unfavorable recommendation was made by Examiner Ralph L. Walker with regard to the Hammond-Calumet broadcasting station to construct a new station at Hammond, Indiana, for daytime operation only on 1480 kc. with 5000 watts power. In his conclusions Examiner Walker states that this entire district, a short distance outside the corporate limits of Chicago, receives consistently satisfactory service from one station located in Indiana and at least ten stations located in and around Chicago.

X X X X X X X X X

COLLEGE PRESIDENT PRAISE PAYNE&S DEMAND FOR BETTER PROGRAMS

College presidents from all parts of the country have sent letters to Commissioner George Henry Payne, of the Federal Communications Commission, praising his advocacy of better radio programs in an address at Cornell University August 31.

Commissioner Payne in his talk expressed the opinion that broadcasting stations should be required to qualify as to program standards in the same way they are compelled to adhere to technical standards. Under the present law the FCC has no direct control of programs although they are often considered when a station seeks a license renewal. Payne also stated that stations should be obliged to assign substantial time to educational and cultural programs.

After sending copies of his address to prominent educators, Commissioner Payne made public the following replies:

George W. Rightmire, President, Ohio State University, Columbus, Ohio: "I do hope that the Commission is finding it possible to do something about much of the advertising and unappealing types of programs that are quite in evidence on any evening one cares to listen. I realize also that the Commission has a rather thorny field before it, since great interests became vested before it occurred to Congress to create a Commission with such general authority, and I hope that gradually much improvement may be noted."

J. C. Hardy, President, Baylor College, Bolton, Texas: "I agree with your position entirely. In some way, this whole set-up must be changed. Education and genuine culture must have a better chance to be propagated through this great agency. It is a disgrace to the intelligence of our statesmanship that this greatest of agencies has been allowed to be reverted and diverted to a commercial end."

Walter Dill Scott, President, Northwestern University, Evanston, Illinois: "I am much impressed with the philosophy underlying your statement. The radio is a monster that may degenerate into a displeasing but profitable advertising medium, or it may develop into a great social asset to America. If the Commission stands firm to your attitude the best is sure to be attained."

W. M. Jardine, President, University of Wichita, Wichita, Kansas: "I am genuinely in sympathy with the idea that you express of enlarging the educational and cultural aspects of programs on the air. If this cannot be accomplished cooperatively with broadcasting stations and financial sponsors of programs, then the Commission should be clothed with the necessary authority to compel such improvement."

W. M. Lewis, President, Lafayette College, Easton, Pa.: "I am glad that you said what you did. I have taken occasion in public addresses to express the same thought. Radio is altogether too important an agency for influencing the public to be misused. The stand which you have taken should mean much in the creation of better program standards."

R. B. von Klein Smidt, President, University of Southern California, Los Angeles, Calif.: "I agree with you that the colleges and university should be depended upon to keep their radio programs on a high level, but whom can we depend upon to eliminate the worse than trash that occupies so many hours of every day? This, I suspect, is your job and you have my best wishes in it."

Dixon Ryan Fox, President, Union College, Schenectady, N. Y.: "I am sure that all of us who are concerned with education heartily approve the tone and spirit of your recent address at Cornell. The air is common property and the granting of a license to broadcast is the granting of a franchise. A franchise should not be granted by the United States Government except when a certain amount of public benefit is anticipated, and the franchise should be revoked when the implied contract is not fulfilled. To insure continuousfulfillment the Government should insist that a proper proportion of time should be devoted to the increase of knowledge and cultivation among the American people. Only under this guaranty will the people, ultimately, permit the use of the air predominantly for private profit. Thus far price in time and standards exacted from broadcasters can be confused with censorship only in middled minds."

Bruce E. Mahan, Chairman of Senate Board on Radio, State University of Iowa: "Mr. Payne's position regarding the improvement of broadcasting deserves the commendation of all who are interested in raising the standards of programs on the air. Educators generally would support the position Commissioner Payne has taken, I think."

J. C. Futrall, President, University of Arkansas, Fayetteville, Arkansas: "In my opinion about 90% of the stuff that goes out over the radio of the United States now is worthless trash. Personally, I rarely listen to the radio except for some particular thing that I happen to know is coming on at a certain hour, such as an address by the President of the United States, a music program of unusual value, an important football game, etc."

X X X X X X X X

INDUSTRY NOTES

Martin Courtney, of Toledo, Ohio, who had previously applied for a construction permit for a new station to be operated on 1290 kilocycles, 100 watts power with unlimited time, has amended his application for a change of frequency from 1290 to 1420 kc.

The Bureau of Foreign & Domestic Commerce has issued a revised report on the radio markets of Turkey. It is dated October 27 and the price is 25 cents.

Dr. William C. Bagley, Professor of Education at Teachers College, Columbia University, received the Columbia Broadcasting System medal for distinguished contribution to radio art as Chairman of the Board of Consultants of the American School of the Air.

Among duties assigned to Jackson Elliott, Assistant General Manager and Assistant Secretary of the Associated Press, who hereafter will give his full time to the latter position, will be the supervision of news broadcasts.

Among those who had table reservations at the Velvet Ball and Debutante Cotillion at the Waldorf-Astoria in New York last week, were Mrs. David Sarnoff, wife of the President of the Radio Corporation of America, Mrs. Frank Mason, wife of the Vice-President in Charge of Public Relations of the National Broadcasting Company, and the box-holders included Mrs. Franklin D. Roosevelt and Mrs. William S. Paley, wife of the President of the Columbia Broadcasting System.

Only routine business was transacted last week at the meeting of Directors of the Radio Corporation of America. "As a result, the holders of Class B preferred stock must await further developments before learning what form the inevitable program of providing for $20-a-share dividend arrears will take", the N. Y. Times reports. "Wall Street observers feel that there may be no news on this before the end of the year.* * * The Atlas-Lehman option on the remaining holdings of the corporation in R-K-O. may have been exercised by that time."

X X X X X X X X X X

ASK BID FOR INSTALLING RADIO SYSTEM IN INDIA FORT

British soldiers propose to install, in the barracks in the Fort, at Ferozepore, India, about 50 miles from Lahore in the Punjab Province of India, a radio receiving and relay system similar to the one installed at Woolwich near London, in England, 1931.

To this end Captain J. M. Lyons, M.C.,R.A., Commanding 20/21st Medium Battery R.A., Ferozepore, Punjab, India, has asked Andrew Cruse, Chief, Electrical Division Bureau of Foreign and Domestic Commerce, Department of Commerce, to assist him in securing bids from American radio manufacturers. The specifications are set forth in detail in a special radio Markets Supplement on India captioned "Ferozepore Radio Scheme" and the price is 25 cents per copy.

X X X X X X X X

55% INCREASE IN VOLUME OF COLUMBIA BUSINESS

The highest September in the history of the Columbia Network was recorded last month with total billings of $1,086,900 running 55.2% higher than the total for September 1934, according to a statement from that organization. This scores the twenty-fourth consecutive monthly gain for CBS. Figures for the first nine months of this year show a total of $12,098,925 - an increase of 24.5% over 1934 - a considerable higher gain than that registered by either the Red or Blue Network for the year to date.

An analysis of CBS industry classifications for nine months of 1935 indicates strong gains in drugs and toilet goods, lubricants and fuel, confectionery and soft drinks, automotive, radio, stationery and publishers, and paints.

Automotive and confectionery and soft drink billings are more than 50% higher than last year. Drugs and toilet goods are 32% higher. Lubricants and fuels are more than 3½ times larger than for 1934.

The increased number of publishers using CBS broadcast facilities brings that total up 139% over the figure for last year.

X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF NOVEMBER 1, 1935.

No. 873

COMMISSIONER PAYNE SEES COMMERCIAL RADIO THREATENING FCC

George Henry Payne, Federal Communications Commissioner, this week (October 31) stirred up another tempest in the radio broadcasting industry by charging in an address before the Columbia School of Journalism that commercial broadcasters are trying to bulldoze the FCC.

Commissioner Payne, whose previous criticism of broadcasting in an address at Cornell University aroused a storm of criticism and a flood of endorsements, went even further in his New York speech in warning broadcasters that the public might force commercialism out of radio.

His address was termed, "The Fourth Estate and the Fifth Estate ~~(radio - so-called)~~".

Payne blamed much of the "rising tide of criticism" of radio programs on the old Federal Radio Commission, which preceded the FCC.

"Having gotten into the frame of mind that anything was acceptable to the public if it was accepted by the old Radio Commission", he said, "the broadcast industry seemed to have assumed that all they had to do, in view of the new and drastic law and the changed personnel, was to treat the new personnel as they had treated the old Commission and everything would be ~~a 'joke'.~~" "joke"

Commissioner Payne said that the idea of creating a "Fifth Estate" for the radio industry "would, in view of its ignorance of our political and social development, be trivial if it were not for the fact that simultaneously with this suggestion there is in progress an obvious, practical, pragmatic endeavor on the part of those controlling commercial broadcasters to make the Federal Communications Commission a subservient instrument to commercial radio".

Other highlights of Commissioner Payne's lengthy address follow:

"The Federal Communications Commission has been established now sixteen months. In that time it has had to meet many serious problems. One of the gravest of these has been the rising tide of criticism against the character of many of the programs on the air and the inability of those interested in cultural and educational programs to have any effect on the general situation. What I considered a most harmless speech at Cornell University last August, was immediately seized on as an attack on the commercial interests. Far from having an animus in the

matter, I had felt at the time that I was really making a contribution in their behalf by pointing out the danger of not meeting the criticisms of the educational forces.

"In all fairness to the actual leaders in broadcasting, I must say that no word of criticism came from them; but from the subordinates there was an amusing outburst at the idea that a Federal Communications Commissioner should assume to have any thoughts on the subject of reform.

"Now it being granted that the radio does not fulfill the ideal we might expect, we must, in all fairness, present the other side of the picture.

"This country is not inclined to accept the British system where the radio is completely controlled by the Government, where no advertisements are permitted and where the programs are supported by a tax on the radio sets.

"Aside from the fear of political propaganda if we should have a government-owned broadcasting system, we have the fact that under our system the commercial broadcasters have shown considerable energy and even, at times, imagination, and have produced some very able programs.

"The American public is a generous public, a little childish at times in its delight over novelties, as one learns when one travels in Europe and sees one's countrymen in touring bodies, making shrill sounds of delight over some ancient cathedral or architectural wonder; but whatever childish qualities they have, they are the qualities of the heart. They are willing to give credit where credit is due and to see that the other fellow gets the proper return for his labor, his ingenuity and his inventions.

"If there is evident on the part of the broadcasters an intention to increase the educational and cultural qualities of the programs, if there is observable a desire to reform the advertising methods and inundations with which the public is afflicted, the present system will be maintained, I believe.

"On the other hand, if there is an arrogant assumption of political power, if there is, instead of reform, increased lobbying activity, the indignation that now is unspoken, except by educators and publicists, will spread.

"Now, then, what are the differences between this Fourth Estate of Burke and the Fifth Estate of the commercial broadcasting propagandists?

"If a person has grievances that he thinks should be communicated to the public, he is at liberty, if he possesses the resources, to publish a paper anywhere in the country, even in the smallest hamlet, in order to disseminate his views. A similar course is absolutely impossible in the case of radio

broadcasting. There are only 90 channels in this country over which broadcasting may be done. On these channels there are altogether 629 broadcasting stations, the great majority of which are limited in power and range, reaching only the people within a comparatively short distance from the stations.

"As it is, from an engineering point of view, this country already has a great many more stations than good service justifies. It is plain that a person cannot open a station of his own in the same manner that he can publish a newspaper of his own in order to communicate his views, no matter how valid and necessary the information which he wishes to convey to the public may be."

X X X X X X X X X

WDAS FILES ANSWER IN WARING'S PHONOGRAPH RECORD SUIT

Fred Waring, orchestra conductor, had no control over the records he made for RCA Victor Company after his services were paid for, counsel for WDAS, Philadelphia, declared in an answer to Waring's suit in the Common Pleas Court.

The answer points out that Waring did not own the copyright of the songs in dispute, "I'm Young and Healthy" and "You're Getting To Be a Habit With Me", but that the copyright proprietor, M. Witmark & Sons, grant RCA Victor Company the right to use the musical compositions.

The RCA Victor Company, National Broadcasting Company, and the National Association of Broadcasters are aligned with WDAS in defending the suit because of the far reaching effect the decision may have on the broadcasting of phonograph records. James W. Baldwin, Managing Director of NAB, has been conferring with WDAS attorneys in the case.

WDAS further points out that it held a license from the American Society of Composers, Authors, and Publishers to perform such musical compositions, and it previously had been granted the performing rights by the authors of the words and music.

Waring, after playing the selections for RCA Victor Company, "had no rights of any kind in said records", the answer sets forth, "and RCA Victor Company, Inc., was not bound to plaintiff by contract or otherwise to limit in any way the use which purchasers of said records might make thereof."

WDAS ridiculed the claims of the orchestra leader that he has been "for a long time past a unique and individual artist and performer" and responded that "musical selections can be and have been interpreted, rendered, played and performed by other musicians and orchestras in the same or similar manner as interpreted, rendered, played and performed by the plaintiff."

The defendant admitted that the records in question carried the following statement, "This record is not licensed for radio broadcast", but contended that this was immaterial in view of the ASCAP license and other circumstances.

X X X X X X X X

MODIFIED RADIO RESOLUTION ADOPTED BY A. F. OF L.

The sting was taken out of a resolution condemning present radio control and offered at the recent American Federation of Labor convention by the International Typographical Union (see release of October 22), the report of proceedings just released shows.

In place of the resolution demanding that Congress proceed at once to nationalize radio, the American Federation of Labor adopted a substitute committee report directing William Green, President of the A. F. of L., to make a study and to introduce appropriate corrective legislation in Congress.

The amended resolution asserted that "available information" indicates "the ownership and control of radio broadcasting is rapidly passing into the hands of the daily newspaper publishers."

The committee expressed the belief that radio and newspapers and all sources of public information "should be freed from monopolistic control."

Delegate Howard, of the Typographical Union, in speaking on the resolution, pointed out that 100 radio stations were owned or controlled by newspapers at the beginning of 1934 and 34 more were added during the year.

He also warned the delegates against the adverse effects on the printing trades of the advent of facsimile radio by means of which the morning newspaper might be transmitted directly to the homes via the ether.

X X X X X X X X X X

ULTRA S-W TELEPHONY FOR NORWAY

The Norwegian Administration is at present making important trials in the field of short wave telephony. The transmitters have a power of 10 to 15 watts; the wave length utilized is 1.7 meters.

X X X X X X X X

A. T. & T. WINS FIRST DECISION IN SCRAP OVER PRINTER

Dismissal of the complaint of Leon Cammen against the American Telephone and Telegraph Company in a legal batter over telegraph printers was recommended October 25 by Chief Examiner Davis G. Arnold following a hearing. Cammen, who said he holds a patent and patent applications covering telegraph printers, complained of discrimination by the defendant and of the A. T. & T. rates. If the latter were changed, he said, he would be able to place his printer on the market.

The Chief Examiner of the Federal Communications Commission held that Cammen "Does not have a printer capable of being used on the circuits of the defendant" and that, therefore, the charges that the tariffs of the A. T. & T. are unjust could not be sustained.

Harvey Hoshour and Frank Quigley appeared as counsel for the A. T. & T.

X X X X X X X X

FOREIGN AND DOMESTIC S-W DATA IN RADIO INSTITUTE BULLETIN

An average of forty-five outstanding network radio programs for each day of the month in the fields of music, informative talks, variety, comedy and drama, together with foreign and domestic short-wave data, are listed in the November program bulletin issued by The Radio Institute of Audible Arts, founded by Philco Radio & Television Corporation to stimulate wider appreciation of worthwhile programs on the radio.

Important musical events on the radio are discussed in considerable detail by Pitts Sanborn, well known music critic and Director of the Institute, and noteworthy sports and special events to be broadcast are also listed.

A similar listing of thirty-nine foreign short-wave stations best heard at this time of the year, with their location, call letters, wave lengths and hours on the air, is included. In recognition of growing public interest in short-wave programs of foreign origin, this listing is supplemented by descriptions of some forthcoming short-wave programs of special interest to American listeners.

X X X X X X X X

RADIO EDITOR SAYS WIRED RADIO HAS DECIDED "TO GO AHEAD"

The inside story of experiments under way near Cleveland on which the success or failure of wired radio may depend is told by Norman Siegel, Radio Editor of the Cleveland Press, in a copyright article for Every-Week Magazine, a NEA feature. The article follows in part:

"Leaving the speculative for the factual, wired radio is now in operation in the suburban Lakewood section of Cleveland, O., which is being used as the proving ground for the system. Upon its success there depends the future of this new radio industry.

"To date it has stood up under a preliminary test, one in which 700 Lakewood families participated. As a result of their response during a three-month experiment, which was started the end of last March, the wired radio backers have gone forward with their plans and are now operating on a regular daily schedule in that part of Cleveland.

"The system as it is now operated can be termed a super phonograph. Its programs are nearly 100 per cent recorded and over 90 per cent musical. All that the listener has to do is tune in. Somebody in a studio at the other end of the line does the changing of the records.

"The programs are broadcast from a central radio plant similar in appearance to any space radio studio. But they are transmitted over light and phone lines, through sub-stations of these two power divisions, directly to receiving sets in the homes of listeners purchasing the service.

"Wired radio programs carry no commercial announcements. They are not sponsored like the big broadcasts of space radio. As a result the system's clients pay a monthly fee to keep the service in operation.

"The principle of wired radio is a technical outgrowth of the last war. It was developed by an officer in the United States Signal Corps who sold his idea to the North American Co., a utility colossus which owns, controls or has a working arrangement with 27 per cent of the American power industry. The depression pigeon-holed the idea until it was brought out for a public test early this year.

"Through Muzak, Inc., an Ohio subsidiary of Wired Radio, Inc., in turn a subsidiary of North American, the test was conducted. It showed that the sets were used on an average of 3½ hours a day and were in use about the same times of the day as space radio; that is, the hours from 6 to 10 were most popular.

"The wired radio sets are made in the east by another North American subsidiary. They are rented, not sold, to the public. Rental runs from $2 to $5 a month, depending on the size of the set. The large sets use a penny's worth of current in two hours, while the small table set runs 4½ hours for the same sum.

"Most of the programs are recorded. They're on special wide-range recordings made by the Music Publishers, Inc., also a North American subsidiary. Regular recordings are also used. As a result the Muzak library of recordings in its Cleveland studios is probably the largest in the world, more than 8,000 titles being listed in the catalogue.

"The system now offers 270 hours of programs each week, broadcasting on three different channels.

"Originally all of the programs relayed by wired radio were recordings. However, live talent has been added to the schedule through the medium of news reports, dramas andhousehold programs. Six five-minute periods a day are devoted to the news flashes of the United Press Service. At 7 P.M., 10 minutes is devoted to sports flashes.

"Muzak engineers claim that two more channels can be added immediately and eventually the number may be extended to 21. That would mean 21 programs coming over your power line along with your electric light current. Each program, however, is sent out over a different frequency and the set acts as a filter, unscrambling them over the various channels in the receiver.

"The system practically eliminates static. As the programs do not travel through space, they are not affected by the elements. They come through as clearly in the Summer as in the Winter months.

"Under the present method of operation the system will be run as an individual unit in each town in which it is offered to the public. However, engineers claim that it could be linked into a nation-wide network, with programs originating at a central point for the entire nation. As long as recordings form the greater part of the programs this won't be necessary, for once a master recording is made, the records cost little to put out.

"Waddill Catchings, former New York broker and Warner Bros. and Chrysler Corp. Director, is head of Wired Radio, Inc. Harris D. H. Connick, former film man, is associated with the venture as Vice-President and Tom J. Smith, Jr., former head of a large Cleveland electrical manufacturing organization, is head of Muzak, the direct operating unit of the outfit.

"According to the wired radio heads, the system is not really in competition with space radio. In fact, one brief period a day is devoted to calling attention to the good programs being broadcast over space radio. The idea of the wired radio system is primarily to give people good music at all hours, with a minimum of talk."

X X X X X X X X

FCC CHIEF ENGINEERSHIP VACANCY CAUSES SPECULATION

Although several names have been mentioned for the post, there is uncertainty as to who will succeed Dr. C. B. Jolliffe, Chief Engineer of the Federal Communications Commission, who resigned to take charge of the Central Frequency Bureau of the Radio Corporation of America. Considerable sentiment has been expressed in favor of Lieut. E. K. Jett, who has served under Dr. Jolliffe as Short Wave Engineer, and the name of Andrew Ring, Broadcasting Engineer, continues to be mentioned. Dr. J. H. Dellinger, head of the Research Laboratory of the Bureau of Standards, who served for a few months as the first Chief Engineer of the Commission, said definitely that he did not aspire to succeed Dr. Jolliffe.

One observer recalled the fact that the appointment of Dr. Jolliffe as Chief Engineer had been questioned at the time because of his lack of experience in the telephone field, being entirely a radio man. It was pointed out that the entire engineering staff, although the Communications Commission now has to do with telegraph and telephone as well as radio, had been inherited from the old Radio Commission. The thought was advanced that perhaps the new Chief Engineer to succeed Dr. Jolliffe would have to have telephone and telegraph, as well as radio training.

One radio authority in Washington said he believed the appointment was of such importance, in view of the telephone investigation and other matters before the Commission, that it might be dictated by the White House. The position of Assistant Chief Engineer of the Communications Commission is also open, due to the recent resignation of W. G. H. Finch who retired to go into business for himself.

X X X X X X X X

COAXIAL TELEVISION REHEARING SET

Although Commissioner Paul A. Walker, Chairman of the Telephone Division of the Commission, said that probably no decision would be reached as to whether or not the American Telephone & Telegraph Company would be granted a rehearing in the case of the coaxial cable between New York and Philadelphia, the Federal Communications Commission performed an about face several hours later by announcing that a second hearing would be held on Monday, November 25.

The A. T. & T. objects to making the coaxial cable, which would carry television images, telegraph and telephone messages, available to rival communications companies.

X X X X X X X X

WNYC FIGHTS FOR RENEWAL AS WLWL SEEKS CHANNEL TRANSFER

Having run nine days, the hearing brought about by the application of WLWL, operated by the Paulist Society in New York, for a transfer from 1100 kc. to 810 kc., unlimited time, was drawing to a close today (November 1) before the Broadcast Division of the Federal Communications Commission.

Outstanding in the mass of testimony offered during the past week was that of officials of WNYC, the New York City Municipal station, which is seeking a renewal of license to operate on the same channel requested by WLWL.

A dozen representations of WNYC and the Department of Plant and Structures, which operates the station, took the stand to defend the record of the station which some time ago was reported preparing to close down. Among WNYC witnesses were Fred J. H. Kracke, Commissioner in charge of the station, various stations and department officials, and Chalmers D. Clifton, Regional Director of the Federal Music Project of WPA. The burden of testimony was that the station is serving a great need in broadcasting non-commercial programs.

Other witnesses heard during the week in the case involving some three score stations were: John Iraci, President of the International Broadcasting Corporation, which operates WOV, New York; Martin Campbell, General Manager of WFAA, Dallas, Tex.; H. B. Hough, General Manager of WBAP, Fort Worth, Tex.; John B. McCormack, General Manager of KWKH, Shreveport, La.; Credofitch Harris, General Manager, WHAS, Louisville, Ky.; Arthur C. Pritchard, for WWL, and Glenn D. Gillett, for WBAP and WFAA.

The Communications Commission will probably not reach a decision for several weeks.

X X X X X X X X

DENIAL OF PERMIT FOR NEW TELEVISION STATION RECOMMENDED

On the ground that the frequency of 2000-2100 kc. requested is not adapted for television, Examiner R. H. Hyde recommended in a report to the Federal Communications Commission October 28 that the National Television Corporation of New York, be denied a permit to construct a new experimental station.

Examiner Hyde said that the evidence offered does not indicate that the granting of the permit "would contribute substantially toward the progress of the radio art." Other frequencies, he said, are proving better suited to visual broadcastin

X X X X X X X X

METAL TUBES NEWSPAPER CAMPAIGN STARTED

"Forty-seven radio manufacturers now use Metal Tubes", a page advertisement sets forth in the New York Times of today (Friday, November 1).

"Look who they are", the advertisement went on and then listed the following manufacturers who use the tubes:

Atwater Kent Mfg. Co.; Air-King Products Co., Inc.; Automatic Radio Mfg. Co., Inc.; Belmont Radio Corp.; Capehart Corp.; Case Electric Corp.; Clinton Mfg. Co.; Continental Radio & Television Corp. (Admiral); Corona Radio & Television Corp.; Crosley Radio Corp.; Detrola Radio Corp.; Electrical Research Laboratories (Sentinel); Emerson Radio & Phonograph Corp.; Fada Radio & Electric Co.; Fairbanks-Morse Home Appliances, Inc.; Freed Mfg. Co., Inc. (Freed-Eisemann); Garod Radio Corp.; General Electric Co.; General Household Utilities Corp. (Grunow); Gilfillan Bros., Inc.; Hallicrafters, Inc. (Super Sky Rider); Halson Radio Mfg. Corp.; Horn Radio Mfg. Co. (Tiffany Tone); Howard Radio Co.

Also, International Radio Corp.; Kingston Radio Co., Inc.; LeWol Mfg. Co. (Pacific); Midwest Radio Corp.; Mission Bell Radio Mfg. Co.; Noblitt-Sparks Industries (Arvin); Packard Bell Co.; Pilot Radio Corp.; Radio Products (Admiral); RCA Victor; Remler Co., Ltd.; Simplex Radio Co.; Sparks-Withington Co. (Spartan); Stewart-Warner Corp.; Stromberg-Carlson Telephone Mfg. Co.; Trav'ler Co.; Troy Radio Mfg. Co.; United American Bosch Corp. (Bosch); United Scientific Laboratories (DeWald); Warwick Mfg. Co.; Wells-Gardner & Co.; Westinghouse Electric & Mfg. Co.; and Wilcox-Gay Corp.

"And other manufacturers will shortly offer sets with Metal Tubes", "Be modern - get a radio set with Metal Tubes", the page advertisement concludes.

X X X X X X X X X X

APPLICATIONS GRANTED BY FCC BROADCAST DIVISION

WHEC, WHEC, Inc., Rochester, N. Y., CP to move transmitter locally and install new equipment; WJR, WJR, The Goodwill Station, Detroit, Mich.; authority to determine licensed power by direct measurement of antenna input; WMBR, Florida Broadcstg. Co., Jacksonville, Fla., Mod. of CP to move transmitter locally, extend commencement date to 30 days after grant and completion date to 6 months thereafter; WSPD, The Toledo Broadcasting Co., Toledo, Ohio, authority to determine licensed power by direct measurement of antenna input; WMAQ, National Broadcasting Co.,Inc. Chicago, Ill., license to use old main transmitter for auxiliary purposes; KEHE, Evening Herald Pub. Co., Los Angeles, Cal.,

renewal of license for the regular period; WEMP, Milwaukee Broadcasting Co., Milwaukee, Wis., license to cover CP covering new station, 1310 kc., 100 watts, daytime; KSUN, Copper Electric Co., Inc., Lowell, Ariz., Mod. of license to change hours of operation from daytime to unlimited; WAAW, Omaha Grain Exchange, Omaha, Neb., extension of present license for period of 60 days; New, Don Lee Broadcasting System, Portable-Mobile (San Francisco), CP, freqs. 31100, 34600, 37600, 40600 kc., 100 watts; New, WCBD, Inc., Portable-Mobile (Waukegan, Ill.), CP (Exp. Gen. Exp.) service, freqs. 31100, 34600, 37600, 40600 kc., 5 watts; New, Scranton Broadcasters, Inc., Portable (Scranton, Pa.), CP (Exp. Gen. Exp.), freqs. 31100, 34600, 37600, 40600 kc., 100 watts; New, RCA Manufacturing Co., Inc., Camden, N. J., license to cover CP for visual broadcasting service, freqs. 42000-56000, 60000-86000 kc., 30 KW; KIEO, Airfan Radio Corp, Ltd. Portable (San Diego, Cal.), Mod. of license (Temp. B/C pickup) to add freqs. 1606, 2020, 2102, 2760 kc. and delete 3150 kc.; also granted renewal of license in accordance with Mod.; KIFT, Julius Brunton & Sons Co., Mobile (San Francisco), Mod. of license (Temp. B/C pickup), to add freqs. 1622, 2060, 2790 kc. Also granted renewal of license for the period ending Nov. 1, 1936; WIEF, Miami Brdcstg. Co., Miami, Fla. (Portable-Mobile) renewal of broadcast pickup station license in accordance with modification granted Oct. 22, 1935.

X X X X X X X X X X

JOHN WANAMAKER USES HIGH FIDELITY STATION

"Wanamaker's On the Air Again!" And how! "Over the latest development in radio . . . The True Fidelity Station W2XR - 1550 Kilocycles", quoting from an ad in the Sept. 16 New York Sun.

"Thanks, Mr. Wanamaker", Ray Sutliffe, Editor of Radio Retailing, writes. "Here's an interesting new trend, a boost for the newer sets (old receivers can't make this grade). We tuned in the other night and the tone performance was truly remarkable.

"This is John Hogan's station under the company name: Scientific Broadcasting Service. Located on Long Island - 1000 watts, 20 kc. channel - eastern dealers should get it, on this new broad channel, high fidelity side of their modern sets, over a 400 mile radius, night-time reception. Tune it in on your next demo., Monday to Friday, from seven toeight P.M. eastern time."

X X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL—Not for Publication

INDEX TO ISSUE OF NOVEMBER 5, 1935

No. 874

November 5, 1935

TWELVE YEAR RADIO SURVEY SHOWS AMAZING GROWTH

Twelve years is not a long period in the life of an industry but in that comparatively short time, radio has skyrocketed from the foot almost to the head of the class. This is revealed in a survey made by Andrew W. Cruse, of the Department of Commerce, who declares that while the statistics are not of official origin, nevertheless, he believes them to be reliable. They show that in 1922, the total number of radio sets manufactured in the United States was 100,000, with a retail value of $5,000,000, and that in 1934, 4,084,000 sets were put on the market with a value of $150,880,000.

In 1922, 1,000,000 tubes were manufactured, valued at $6,000,000, and in 1934 the output has jumped to 55,192,000, totaling $59,948,000.

Motor car receiving sets went from 34,000 in 1930 with a retail value of $3,000,000, to 780,000, mounting to $28,000,000 in 1934.

The grand total of all radio apparatus for broadcast reception went from $60,000,000 in 1922 to the stupendous high of $235,628,000. Homes with radio sets in that time increased from 60,000 to 21,456,000.

Other enormous gains are revealed in the survey as follows:

Radio sets, factory built -					
1922	100,000	sets	$5,000,000	Retail	Value
1929	4,438,000	"	592,068,000	"	"
Table Models					
1930	1,130,400	"	$56,520,000	"	"
1934	2,204,000	"	60,580,000	"	"
Console Models					
1930	2,663,400	"	$272,678,000	"	"
1934	1,100,000	"	62,300,000	"	"
Reproducers, excluding those in consoles and combinations					
1922	25,000	sets	$ 750,000	Retail	Value
1928	2,460,000	"	66,400,000	"	"
Total Accessories. Value only, Including Tubes					
1922			$ 15,000,000	"	"
1934			75,748,000	"	"

X X X X X X X X X X

PRIZE FOR BEST BROADCASTING MAY BE AWARDED IN 1936

Definite progress toward annual awards in broadcasting, similar to the Pulitzer prizes of the newspaper industry, was made at an initial meeting of committees of the National Association of Broadcasters and the Radio Manufacturers' Association in New York. The Broadcasters on the following day considered various plans developed by the joint committee and it will continue work with a view toward launching the radio industry awards, if possible, in 1936.

The establishment of a Radio Industry Foundation is one of several plans under consideration. At the preliminary conference, the NAB was represented by Lambdin Kay of Station WSB, of Atlanta, Chairman; representatives of the National Broadcasting Company, the Columbia Broadcasting System and Burridge D. Butler, of Station WLS, Chicago. The RMA was represented by its President, Leslie F. Muter, of Chicago; Powel Crosley, Cincinnati, Chairman of the RMA Committee; Commander E. F. McDonald, Jr., of Chicago, Sayre M. Ramsdell, of Philadelphia, and Bond Geddes, Executive Vice-President of the Radio Manufacturers' Association.

X X X X X X X X X

ADVERTISERS TO MAKE OWN STUDY OF RADIO AS AD MEDIUM

Numerous studies have been made of broadcasting by educators, governmental agencies, and by broadcasters. Now the fellows who pay the bill are going to make a survey of their own.

The Association of National Advertisers decided at a recent meeting in Atlantic City to authorize a broad study of radio as an advertising medium by a committee representing companies that advertise on a national scale, large advertising agencies, and broadcasting companies. Five will be chosen from each industry.

Allyn B. McIntyre, President of the Association, has this to say regarding the survey:

"Radio is a lusty infant and a profitable advertising medium when rightly used. We are going to check up on the claims made for it."

The study will include a count of radio sets in use, a detailed analysis of the hours used, and an appraisal of station and program popularity.

X X X X X X X X X

NO SUCCESSOR YET CHOSEN TO SUCCEED JOLLIFFE

Due to the fact that several officials of the Communications Commission left Washington to take part in elections in their native States, notably Chairman Prall and Commissioner Payne, of New York, no successor has yet been chosen to succeed Dr. C. B. Jolliffe, as Chief Engineer of the Federal Communications Commission. Dr. Jolliffe will soon assume charge of the Central Frequency Laboratory of the Radio Corporation of America in New York.

Chairman E. O. Sykes, of the Broadcast Division, said that he did not believe there would be either a meeting of his Division or of the full Commission this week.

X X X X X X X X

NEW RADIO CENSUS MAY BE COMPLETED BY JULY

The Census of American Business, which will include a tabulation of commercial broadcasting, will be started early next January and probably completed about July. The exact questions have not as yet been determined but will include the number of broadcasting stations, volume of business, persons employed and wages paid.

X X X X X X X X X X

BETTER ASSIGNMENT RECOMMENDED FOR WARNER BROS. STATION

Better broadcasting facilities for a movie-owned radio station, KLS, of Oakland, Calif., was recommended by Examiner John P. Bramhall, October 26, in a report to the Federal Communications Commission.

KLS, owned by the Warner Brothers, asked a transfer from 1440 kc. to 1280 kc. and an increase in time from daytime to unlimited.

Bramhall said the change would be beneficial to the station and to the area it serves and would eliminate present interference between KLS and KGGC, San Francisco, which operates on 1420 kc. KFBB, Great Falls, Mont., which uses 1280 kc. might cause KLS some trouble, as it is only 870 miles away, but would not be bothered itself, the Examiner predicted.

X X X X X X X X

SHARP INCREASE IN CANADIAN RADIO SALES IN SEPTEMBER

Sales of radio receivers in Canada registered notable improvement during September.

According to the Radio Manufacturers' Association of Canada, sales during the month totaled 31,356 units with a list value of $3,189,031. These totals indicate a volume increase of 109 per cent and a value increase of 121 per cent over August and increases of 39 per cent and 23 per cent, respectively, over Septemberk 1934.

A study of the September 1935 figures reveals that in the case of A. C. chassis, all-wave equipment is receiving increased public favor although the unit volume of business in sets equipped with an inclusive band is not as large as for dual-wave units. Standard-band equipment accounted for only 22 per cent of A. C. receivers sold in September. All-wave and dual-wave battery chassis are enjoying increased popularity but standard-band sets continue to lead in volume. Automobile radio set sales in September declined seasonally and the value was lower than that reported for the same month last year.

Projected production by the manufacturer members of the radio trade association for the last quarter of 1935 totals 65,429 receivers, predominately dual wave and all wave A.C. models. A rather sharp increase in contemplated rate of production of automobile sets is presumably related to the earlier introduction of 1936 models this year, the report states.

X X X X X X X X X X

TELEVISION "PIPE" TO PHILADELPHIA IS NOT ABANDONED

Emphatically denying reports that the American Telephone and Telegraph Company has abandoned the plan of installing a television line between New York and Philadelphia, Dr. Frank B. Jewett revealed to Orrin E. Dunlap, Jr., Radio Editor of the New York Times during the past week, adding that "the idea has never been out of our minds."

Dr. Jewett said, however, that before the A. T. & T. begins construction of the project, a reargument of some of the "broadly worded" clauses in the Federal Communications Commission's construction permit is needed to clarify points involved. A hearing has been asked for the purpose, Dr. Jewett pointed out that under the present clauses, "it might be possible for some one to exercise a confiscatory action on A. T. & T. property that may cost more than a half-million dollars."

Asked if there is any likelihood of transferring the experiments to Europe or Canada, he said: "No, I don't know where such rumors originate. The British Postoffice is reported to be planning coaxial cable experiments of its own, and so is Germany."

X X X X X X X X

METAL TUBES TO FURNISH ROCHESTER TECHNICAL TOPIC

Although only one set address is scheduled on the subject, "New Problems in Metal Tubes", by Roger Wise, of Hygrade-Sylvania, it is safe to say that a metal versus glass tube controversy will be a prevailing topic of conversation at the Fall meeting of the Institute of Radio Engineers at Rochester, N. Y., November 18. Here is the program:

"Superheterodyne Oscillator Design Considerations", by W. A. Harris, RCA Manufacturing Company, Radiotron Division.

"Electrical Quality of Radio Components", by C. J. Franks, Boonton Radio Corporation.

"Latest Developments in Electron Optics", by W. H. Kohl, Rogers Radio Tubes Company, Ltd.

"Electron Multipliers and New Electron Technique", by V. K. Zworykin, RCA Manufacturing Company, Victor Division.

"A Tragedy in Specifications", by L. C. F. Horle, Consulting Engineer.

"Management's Stake in Standards", by P. G. Agnew, American Standards Association.

"The Status of the Radio Spectrum", by C. B. Jolliffe, formerly Chief Engineer, Federal Communications Commission.

"European Experiences in Radio", by L. M. Clement, RCA Manufacturing Company.

"Speech with Sound Effects", by David Grimes, Philco Radio & Television Co.

"Instantaneous Tracing of Tube Characteristics", by O. H. Schade, RCA Manufacturing Company.

"Quantitative Influence of Tube and Circuit Properties on Random Electron Noise", by S. W. Seeley and W. A. Barden, RCA License Laboratory.

"Design of Doublet Antennas", by H. A. Wheeler, Hazeltine Corporation.

"Iron Core Antenna Coil Design", by G. H. Timmings, Meissner Mfg. Company.

X X X X X X X X X X

BLAMES POOR RADIO RECEPTION ON SUN SPOTS

Dr. Dinsmore Alter, astronomer of Griffith Observatory at Los Angeles, blames the increase of spots on the sun for poor radio reception which has been experienced recently. Dr. Alter said that the number of sun spots increased greatly and would probably continue to multiply until the maximum was reached in 1937.

X X X X X X X X X X

HOLDS THAT RADIO NEWS MAY BE PARAPHRASED

An Examiner's report which suggests that a radio station may receive and paraphrase for its own listeners, news broadcast by rival stations, has been submitted to the Federal Communications Commission for approval.

Examiner Melvin H. Dalberg, who conducted hearings on the application of A. E. Newton, Jamestown, N. Y., for renewal of thelicense of WOCL, holds that station did not violate the rule against rebroadcasting in its World Series play-by-play account last year, in the following manner: A receiving set was placed in WOCL studios where a running account was received. In conjunction with the play-by-play account radioed through Station WGR, Buffalo, the announcer used information obtained by watching an animated score board, in operation across the street, and a ticker service. The station was cited for rebroadcasting.

The following argument was used to sustain the Examiner's finding:

"In the case at bar it appears that the originating station was broadcasting news of a baseball game to the general public. According to the testimony in this case, the continuity of that broadcast was not literally restated but the news gathered therefrom and which was heard by the general public from the originating station was restated by the announcer of Station WOCL to listeners within the area of that station and it further clearly appears that the facts which he broadcast were not obtained solely from the station or stations into which he had tuned but also from an electrical score board opposite or near the studios from which he was operating."

X X X X X X X X X X

URGES BETTER ANTENNAS

Improper antennas were cited by O. H. Caldwell, formerly Federal Radio Commissioner, addressing a meeting at Mount Vernon, N.Y., recently as the greatest cause of poor reception in the home.

"About 24,000,000 radio sets are now in use in American homes, yet out of this whole number probably not one million sets have adequate antennas properly installed - outside the house as high as possible and at a distance from interfering electrical-appliances and electrical circuits", Mr. Caldwell declared.

"At least half of the sets now in use are hopelessly obsolete and need replacement by modern receivers, with tone-

quality response. A large percentage of home radios would also be greatly improved in operation, if looked over and adjusted by a nearby expert radio service man. Tubes wear out and lose their "pep", and need to be replaced. Tubes that have run a year or more are usually ready to be furloughed; listeners should arrange to replace their tubes about three times as often as now seems to be the general practice.

"The radio engineers of the manufacturers design and produce wonderful radios. But unless these radio sets are properly installed, and equipped with adequate antennas and tubes, they are of little value in really reproducing the great musical masterpieces and entertainment features on the air this Fall, which are costing the broadcasters half a million dollars nightly."

X X X X X X X X X X

NOT ENTHUSIASTIC ABOUT NEW GERMAN TELEVISION RECEIVERS

The most startling exhibit at the recent National Radio Show in Berlin, Assistant U. S. Trade Commissioner Roland Welch reports, were the television receivers, which were introduced to the public for the first time. Some of these television receivers were priced at around 400 reichsmark, or slightly less than $200. Considering that expensive radio receiving sets are only rarely sold in Germany, this price for a television receiver is regarded as being very high. With the purchasing power of the German people as low as it is at present, it is not expected that the introduction of television receivers will take the country by storm.

"Unfortunately, little true publicity has been given to the public and most of the observers expressed surprise that the screen was so small. In most receiving sets shown at the exposition, the screen measured about 8 by 10 inches. Evidently the public expected to see something at least the size of a door", Commissioner Welch said.

While there has been considerable elation regarding the increase in local sales, most of the newspaper and trade journal reports decry the loss in export sales.

"Practically all of the newspapers, however, point out that the competition from United States factories has been severe and has resulted in some of Germany's loss in exports. Most of the newspapers say that mass production in American factories has brought prices down below those that must be charged for German sets. Very few of the papers point out the equally important fact that devaluation of the American dollar has also reduced prices of American receiving sets in foreign markets. For example, before America devaluated its currency, a receiving set that cost $100 was comparable to a German one that cost

420 reichmarks. Today a $100 American receiving set is equal in price to a 250-reichmark German set. Consequently, in foreign markets, purchasers would rather have a $100 American set than a 250-reichmark German set which is of such inferior quality.

"Of the 1,952,000 receiving sets sold in Germany during the 1934-35 season, all but about 1,000,000 were Volksempfaenger, or "People's receiver". This is a three-tube set selling for about 72 reichsmark, which all companies manufacture at the request of the Government, and it is about as cheap as anything that can be bought in Germany today. ($1 equals 2.50 reichsmarks)."

German radio receivers manufacturers built 1,995,000 sets and sold 1,952,000 thereof during the radio year August 1, 1934 to July 31, 1935. On August 1, 1935, there were 6,516,732 radio sets on the German tax rolls, an increase of 22 percent over the number on August 1, 1934. This brought the number of receiving sets per 100 homes from 30 to 36.

In spite of the increased production and sales, exports of radio sets declined 8 percent under the number sold abroad during 1933. The export of radio receivers to Portugal and Spain increased during the year but to almost all other countries it declined.

The National Radio Show opened August 16 in Berlin and the 1936 models were introduced for the first time.

The German industry from now on will confine itself to the manufacture of a limited number of types of receivers and that an effort will be made toward standardization, such as has been achieved in the German automobile industry, was announced.

X X X X X X X X X X

SAYS ASCAP TRIAL JUDGE CONFESSED MYSTIFICATION

The "able judge who sat on the case repeatedly confessed his mystification as to the drift and aims of the proceedings", Alva Johnston, writing in the Saturday Evening Post of October 10, said describing the trial of what he called the "Anti-Tin-Pan Alley" suit of the Government against the American Society of Composers last June. Mr. Johnston noted the fact that after the trial had proceeded one week, the Government asked for a four months' postponement. The hearing was recently adjourned again, the date now set being January 7, 1936.

"As far as it went", Mr. Johnston writes, "the trial looked like an effort to smash fog with a sledge hammer or pick up quick-silver with boxing gloves."

"The broadcasters, in 1932, threatened to stop using ASCAP music. At that time ASCAP had announced that the price of ASCAP copyright to broadcasters would be 3 per cent of the broadcaster's gross receipts from advertisers for the next year; 4 per cent the following year and 5 per cent thereafter. Radio regarded these terms as outrageous and threatened to have no further dealings with ASCAP. Gene Buck, the President of ASCAP, said that he would personally like to see a complete break between his organization and radio; that he believed that song writing and all other music writing were fundamentally based on the home piano; and that radio was destroying the home piano.

"It would have been exciting if the broadcasters had broken relations with ASCAP at this time. Radio, with its enormous appeal, might have revived pre-Civil War favorites and popularized unpopular songs. It would have had to discard much of the best modern dance music, but it might have started a rage for the minuet and the Virginia reel, for schottisches and mazurkas, for the high lavolta and the swift coranto, for the sinkapace and the morris dance. Radio chose, however, to surrender to ASCAP and accept its terms. The contract of 1932 expires this year. Again there were threats that radio would break with ASCAP and entertain the public with fine old melodies and unsuccessful modern ones. Again, however, instead of fighting, radio surrendered to ASCAP, this time accepting slightly stiffer terms. There is still a chance that radio may be forced some day to rely on ancient favorites and modern long shots.

"The Department of Justice rushed its Anti-Tin-Pan-Alley suit to trial last June, on the ground of its great public urgency. After the trial had been on for eight days, the Government suddenly discovered that it was not prepared to try the case and asked for a postponement until November of this year. The legal issues are intricate. Before the New Deal came into power, previous administrations had held that ASCAP was not a trust."

The Government suit going over to January again raises the question as to whether the present contracts with the Broadcasters which expire December 31st will be extended for another year. It was reported that there was a difference of opinion on this among the ASCAP directors, some favoring a continuance but others opposing it on the ground that the Broadcasters were backing the Government in its effort to break up the so-called Music Trust.

X X X X X X X X

FCC AMENDS MODULATION RULE

The Broadcast Division of the Federal Communications Commission amended Rule 139 to read as follows:

"(a) A licensee of a broadcast station will not be authorized to operate a transmitter unless it is capable of delivering satisfactorily the authorized power with a modulation of at least 85 percent. When the transmitter is operated with 85 percent modulation, not over 10 percent combined audio frequency harmonics shall be generated by the transmitter.

"(b) All broadcast stations shall, on and after November 1, 1936, have in operation a modulation monitor approved by the Commission.

"(c) The operating percentage of modulation of all stations shall be maintained as high as possible consistent with good quality of transmission and good broadcast practice and in no case less than 85 percent on peaks of frequent recurrence during any selection which normally is transmitted at the highest level of the program under consideration.

"(d) The Commission will, from time to time, publish the specifications, requirements for approval, and a list of approved modulation monitors."

X X X X X X X X

RADIO CORPORATION INCREASES INCOME

A net income of $511,987 was earned by the Radio Corporation of America for the third quarter of 1935, according to a statement issued by David Sarnoff, President. This is equal to 10.5 cents a share on 767,275 Class B preferred dividends for the period, and compares with $406,190, or 82 cents a share on 495,597 Class A preferred shares, in the 1934 period.

For the nine months ended on Sept. 30 net profit was $2,801,123, or $1.95 a share on the Class B preferred shares after dividend requirements on Class A preferred shares, compared with $2,177,771, equivalent to $1.14 a share on the B shares in the same period of 1934.

X X X X X X X X

THE MAJOR HIRES A PRESS AGENT

Newspaper correspondents in Washington are apparently suspicious that Major Berry, the presidential industrial coordinator, is in reality endeavoring to revive the NRA, which, though supposed to be dead, is still said to have a personnel four times as large as that of the State Department. Commenting on this, Raymond Clapper writes in the Washington Post:

"The situation is made more grotesque by the fact that NRA officially has nothing to do except make some studies and to dally with the idea of voluntary codes, while waiting for Congress to decide next Winter whether to continue any part of NRA.

"But that doesn't discourage an aggressive man like Major Berry. A labor union politician, once a candidate for the Democratic Vice Presidential nomination, Berry slipped into NRA and continued rather inconspicuously until the retirement of one after another of the headliners like Johnson, Richberg, McGrady and others, naturally shook him up to the top where he became visible to the naked eye.

"Now Major Berry has hired a publicity man - at $6,800 a year. He picked a capable young United Press reporter who has been assigned to report NRA activities for the last two years. Major Berry was so anxious to put the young man to work that he could not wait for the usual resignation notice. The result was that the young man went to work at NRA yesterday, with the understanding that he would continue temporarily to report NRA and other Government news for the United Press. From the NRA press officer's desk he doubled in brass yesterday, telephoning NRA news to his office as before and between times giving out news about Major Berry's NRA activities to rival reporters. The night before he went to work the United Press, under another signature, carried a laudatory interview in which Major Berry told about his plans for NRA."

X X X X X X X X

Victor M. Ratner will be placed in charge of Sales Promotion and Advertising as acting director of the Department of the Columbia Broadcasting System, effective November 25th, succeeding George Bijur, whose recent resignation becomes effective on that date.

X X X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL—Not for Publication

INDEX TO ISSUE OF NOVEMBER 8, 1935.

No. 875

U. S. AND CANADA UNSCRAMBLE RADIOBEACONS FOR MARINERS

Radio, which has contributed more to the safety of life at sea than any modern scientific development, will make the work of mariners in this hemisphere less hazardous beginning December 1 when the United States and Canada unscramble their radiobeacon services for lighthouses.

To replace the garbled signals which have heretofore confused ships plying the Atlantic and Pacific coasts the two governments of the North American continent have adopted a coordinated policy of radiobeacon operations.

The Lighthouse Service, of the Department of Commerce, in announcing the change, said that increased frequency of signals, more simplified operation, and a reduction of interference will result.

Every lighthouse station and every lightship crew at every radiobeacon-equipped station on the Atlantic and Pacific coasts will make the change precisely at midnight November 30. This country has 108 radiobeacons in operation and ten more are to be installed soon, three in lighthouses and seven on lightships.

The new policy of coordination was worked out at conferences between representatives of the Department of Marine of Canada and the Bureau of Lighthouses. Some of the high spots of the arrangement follow:

Frequency channels will be assigned beginning at 286 and extending to 314 steps of two kilocycles, establishing 15 channels. Adjacent beacons or groups of beacons will be separated 12 kilocycles where possible.

The time cycle of radiobeacon operation will be three minutes with one minute devoted to transmission.

Simple codes of dots and dashes will be transmitted slowly enough for ready identification by a mariner taking his bearings.

Transmission during clear weather will be every hour or half-hour according to navigational needs in the area. During foggy or thick weather transmission will be continuous.

"The vital importance of the service performed by maritime radiobeacons as aids to navigation and in promoting the safety of life at sea is recognized", said Commissioner H. D. King, "and the consequent necessity of avoiding the possibility of interference of other radio services with these aids through jealously guarding against and opposing frequency assignments or use which might cause interference."

X X X X X X X X X

PUBLISHER'S APPLICATION FROWNED ON BY EXAMINER

A rather indirect method of censorship of the press might be exercised by the Federal Communications Commission if it adopts the recommendation of Examiner John P. Bramhall to deny an application for a construction permit on 1420 kc., 100 watts, unlimited hours, by the Bellingham Publishing Company, of Bellingham, Wash.

Examiner Bramhall in his report to the FCC pointed out that the "evidence shows that the applicant, through the publication of numerous articles reflecting upon the honesty and integrity of public officials and upon the morals and private lives of the citizens of Bellingham and Whatcom County, has been the source of discord and dissension and has been inimical to the general welfare of the community."

He cited articles which referred to business men and political foes as "Dirty Dozen", "Dr. Pewee","Filthy Phil", and "Court House Ringsters".

Testimony showed also that the applicant wanted a station principally to answer the political broadcasts made by the existing Bellingham station, KVOS.

X X X X X X X X

BBC ANALYZES 150,000 LETTERS IT GETS FROM LISTENERS

Appreciations of programs broadcast by the British Broadcasting Corporation outnumber criticism, as represented in letters from listeners, four to one.

Out of 150,000 letters a year, the BBC has classified them as follows: appreciations, 60,000; criticisms, 15,000; enquiries, 30,000; requests and suggestions, 7,000; and miscellaneous, 38,000.

X X X X X X X X X

RIO INAUGURATES UP-TO-THE-MINUTE BROADCASTING STATION

What is claimed to be the most modernly equipped radio broadcasting station in South America has recently been inaugurated in Rio de Janeiro, a report to the Commerce Department from its office in that city shows.

In addition to having the very latest design in American transmitting equipment, it is pointed out, the station has a half wave vertical steel antenna 416 feet high and weighing 27 tons. The tower, which measures 25 feet square at its half-way section, is mounted at the base in a large porcelain insulator with ball and socket action. Two well-appointed studios, both of which are sound proof and acoustically treated, form another important feature of the station, the total cost of which approximates $160,000, the report states.

The owners of the new broadcasting station have announced their intention of offering programs of the American type, special emphasis being given to fifteen-minute and half-hour sponsored programs featuring prominent Brazilian artists, it was stated.

X X X X X X X X

TWO NEW STATIONS FOR OVER-QUOTA UTAH ARE RECOMMENDED

Despite the fact that the State of Utah is 114 per cent over-quota in nighttime broadcasting facilities and 19 per cent over-quota in daytime assignments, Examiner George H. Hill, has recommended that two new stations be authorized.

Eight applicants, including the Utah Radio Educational Society, of Salt Lake City, sought the facilities, but six were disapproved by the Examiner of the Federal Communications Commission. The Utah Radio Educational Society is a mutual association of 100 members organized for the purpose of operating a new station.

Applications which were recommended for granting to the Federal Communications Commission are:

Great Western Broadcasting Association, to construct station at Provo, Utah, for operation on 1210 kc., 100 watts, unlimited hours.

Utah Broadcasting Company, to operate a new station at Salt Lake City on 1500 kc. with 100 watts power and unlimited hours.

X X X X X X X X X

LOTTERY CITED IN COMPLAINT ISSUED BY FTC

Alleging the use of a lottery scheme in selling radio sets, fountain pen and cocktail sets and other merchandise, the Federal Trade Commission has issued a complaint against J. K. Levy, alias J. K. Lee, and David Levy, co-partners, of 130 North Wells St., Chicago, trading as Levore Company, and J. K. Levy, alias J. K. Lee, individually.

The complaint says the Levore Company represented that distributing agents could make big money "giving away these wonderful radios", but that in fact, the respondent did not give away radios or any merchandise.

Agents earn $100 and $150 a week under the respondent's sales plan, according to its advertisements, but the complaint says the usual earnings of the respondent's agents were not either $100 or $150 a week.

The respondent company is alleged to have advertised by means of the phrase, "Successors to Beco Mfg. Company", when, according to the complaint, it was not a manufacturer owing or operating a factory in which its products were made.

The respondents are given until Friday, December 6, to show cause why the Commission should not issue against it an order to cease and desist from the practices alleged.

X X X X X X X X

RADIO INDUSTRY WATCHES DEVELOPMENTS TO REVIVE NRA

The radio industry, both manufacturers and broadcasters, are watching closely developments at NRA, which many business men thought dead but now seems to be undergoing a resurrection. The focal point of interest is a conference of 3,000 representatives of business and labor scheduled for December 9th.

Major George L. Berry, coordinator for industrial cooperation and foremost spokesman at present for NRA, predicted that the parley would produce definite recommendations as to legislation.

James W. Baldwin, Managing Director of the National Association of Broadcasters, and Bond Geddes, Executive Vice-President of the Radio Manufacturers' Association, are expected to represent the radio industry at the conference. Among those listed as non-committal is the Radio Wholesalers' Association.

X X X X X X X X X

STEWART RAPS CLEAR CHANNEL DOMINATION BY CHAIN BROADCASTING

The domination of the 40 clear channels by chain broadcasting systems is threatened in a move instituted by Commissioner Irvin Stewart November 6 at a meeting of the Federal Communications Commission. Upon motion of Stewart, the Broadcast Division was instructed to consider whether special regulations should be adopted for the regulation of the radio networks.

Commissioner Stewart's action, coming on the heels of proposals by the FCC Engineering Department that provision be made for twenty-five 500 KW stations, that reduction of clear channels be effected, and that more power be granted many regional stations, is expected to assure a thorough review of the broadcasting set-up by the next Congress and an ultimate reallocation of channels.

Stewart, in a manner reminiscent of the attacks of former Senator C. C. Dill, complained that duplication of programs on clear channel stations, because of network domination, is greatly restricting the variety of programs available to 35.8 per cent of the population and 76.7 per cent of the area of the country, now dependent on secondary coverage.

In support of his motion, Stewart cited the famous General Order No. 40 of August 30, 1938, which limited nighttime operation on each of the 40 clear channels to a single high-power station, and to the amended order of July 2, 1930, which provided for a certain number of high-power stations on clear channels "to serve rural and sparsely settled areas over long distances under favorable conditions".

He offers the following table, compiled in December, 1933, to show the dependence of much of the population on clear channel transmission:

Zone	Percentage of population within secondary coverage	Percentage of area within secondary coverage
First	24.0	57.3
Second	27.6	60.4
Third	56.8	70.4
Fourth	33.6	70.0
Fifth	35.4	90.38
United States	35.8	76.7

He then pointed out that the 40 clear channels are apportioned thus: 26 to NBC stations, 12 to CBS stations, 3 to Mutual Broadcasting System, and 1 to a non-chain outlet. He explained that one station is on both NBC and Mutual and that channel has both CBS and NBC stations.

"Duplication of programs on clear channel stations reduces the value of clear channels to persons dependent on secondary service (for whom the channels are set apart)", he said, "and tends to defeat the announced purpose in the establishment of clear channels."

X X X X X X X X X

INDUSTRY INTERESTED IN "STATICLESS RADIO" DEMONSTRATION

While Washington radio engineers for the most part were unfamiliar with the technique of the "staticless radio" system demonstrated this week in New York City by Maj. Edwin H. Armstrong, Professor of Electrical Engineering at Columbia University, they expressed keen interest in the development.

Major Armstrong showed that through his system programs were received in Haddonfield, N. J., from transmission of the short-wave station atop the Empire State Building without any static even in a thunderstorm. He demonstrated by means of recordings that reception of long-wave stations at the same time showed the static effects of the storm.

The inventor, who is known in Washington as a very reputable man, predicted that his system would permit the transmission of four programs on a single wave.

X X X X X X X X

MACKAY DENIED RIGHT TO BE ON BOARD OF COMMERCIAL CABLE

The Federal Communications Commission on November 6 denied the application of Clarence H. Mackay, of the Mackay Radio & Telegraph Company, to be an officer or director of the Commercial Cable Company while still holding his other connection.

Similar applications to hold executive positions in both companies were denied to W. J. Deegan, Augustus H. Griswold, Howard L. Kern, and Charles R. Rimpo.

X X X X X X X X

LIEUT. JETT IS NAMED ACTING CHIEF ENGINEER OF FCC

Lt. E. K. Jett has been designated Acting Chief Engineer of the Federal Communications Commission to succeed Dr. C. B. Jolliffe, who has resigned, effective November 12.

Lieutenant Jett has been identified with communications for 20 years, having served in the Navy 18 years and with the former Radio Commission and the present Commission for the last seven years. He has been serving as Assistant Chief Engineer since September, 1931, having charge of radio services other than broadcasting. Since the creation of the Communications Commission, wire telegraph services, including submarine cables have been added to his duties.

W. J. Norfleet, who has been Acting Chief Accountant since June 7, 1935, has been named Chief Accountant. He will head the Accounting, Statistical and Tariff Department. Mr. Norfleet came to the Commission from the Bureau of Valuation of the Interstate Commerce Commission where he was employed many years.

X X X X X X X X

SUN FAILS TO CREATE DISTURBANCE EXPECTED IN SHORT-WAVES

Although the sun was scheduled to cause a brief disturbance in high-frequency or short-wave transmission between October 21 and 25 - as it does every 54 days - it was singularly quiet, according to Dr. J. H. Dellinger, Chief of the Radio Section of the U. S. Bureau of Standards.

The mysterious emanation, which is being studied by radio experts, lasts for only a few minutes. Described as "a new cosmic phenomenon", it was described for the first time by Dr. Dellinger recently in Science, the organ of the American Association for the Advancement of Science.

The last disturbance of this nature occurred on August 30. Other manifestations have been observed at the Bureau of Standards on March 20, May 12 and July 6. The 54-day interval is exactly double the period of the sun's rotation. The phenomenon is general over the sun-lit side of the earth. It consists of sudden dying away of high-frequency, long-distance radio signals. They fade and reappear in about 15 minutes.

X X X X X X X X X X

BIGGEST U. S. RADIO COMPETITOR REPORT PUBLISHED BY U. S.

The Philips Glow Lamp Works, Inc., of Eindhoven, Netherlands, which is one of the foremost competitors in the world radio market with American manufacturers, is increasing its trade in some territories, according to U. S. Consul Homer Brett, of Rotterdam.

Referring to the sale of radio tubes, radios and other radio accessories, Consul Brett said:

"The firm has not only maintained its position in world markets but has, in some cases, been able to increase its share of business in various territories.

"A water-cooled radio transmitting lamp of 250 kw. has been developed and one is used in Hilversum, Netherlands, radio station, whereby 120 kw. transmitting strength is obtained with 100 per cent modulation."

The Philips Company is watching developments in television in the United States, Great Britain, and Germany, Brett reported, but is of the opinion that "although great interest exists for television, the present receiving sets will not be replaced by combined radio and television receivers in the near future."

The Philips Company has 35,000 employees in service over the world. A copy of the 23rd annual report, published by the Department of Commerce, may be obtained by sending 25 cents to the Electrical Division of the Bureau of Foreign and Domestic Commerce.

X X X X X X X X

BERLIN TO HAVE TELEVISION NEWS THEATRE

A news cinema, with television as part of its permanent equipment, is being planned to open in Berlin shortly. The Astor Theatre, Kurkurstendamm, has been chosen for the experiment, and technical experts are now working out the plans in conjunction with the German Film Chamber. The television apparatus will be mainly used for the rapid reproduction of news films which will be transmitted from a central television station. Apart from these transmissions there will be a regular service of news films, similar to those already shown in the news-reel theatres of London and Paris.

X X X X X X X X X

TEST SIGNALS COMING THROUGH TO NAVY FROM ADDIS ABABA

The Navy Department's tall radio towers just outside of Washington are picking up somewhat faint signals from the emergency transmitting station established at the American Legation in Addis Ababa.

Navy officials state that the signals are still in the testing stage, but it is believed that the State Department is being kept informed of developments in the Italo-Ethiopian war direct from the African capital.

As usual in all naval communications, the Navy Department is maintaining the utmost secrecy about the nature of the communications, the purpose of the station, and the frequency used. All messages are sent in telegraphic code to the Navy's receiving station. If the message is directed to the State Department, it is decoded and sent to the proper destination.

Both the Navy and State Departments insist the station, established recently by four radio engineers from the Navy Department, is for emergency use only, but they decline to explain what may constitute an emergency.

X X X X X X X X X X X

FAMILIES
FOUR PER CENT D.C./STILL HAVE NO RADIOS

Four per cent of the families in the District of Columbia (Washington, D. C.) are still without radios, although 121,787 homes here are radio-equipped, according to a recently compiled statistical summary.

Radio sales for 1934 in the District indicate, however, that the percentage of non-radio owning families is rapidly decreasing. During 1934, more than 20,550 radio sets were sold in the Capital, of which 3,800, or more than 18 per cent, were installed in homes which were previously without radio facilities. More than 16,700 of these sets were replacements of obsolete equipment with modern instruments.

The growing interest in better receiving sets which these figures indicate is interpreted not only as an indication of improved buying power, but also as proof that higher standards of entertainment and better contact through short-wave reception with events in all parts of the world are being demanded by an ever-increasing section of the population.

Another index of the public's interest in radio is the fact that to meet the demand for high quality sets, 2,000 workers were recently added to the staff oa a Philadelphia radio manufacturing plant, bringing the total to more than 10,000.

X X X X X X X X X X

McDONALD EXPLAINS HOW HE STARTED MAKING EBONY RECEIVERS

A new fad in cabinets for radio receiving sets was originated by a man who has nothing to do with radio manufacturing, Wirt Morton, of the Morton Salt Company, according to Commander E. F. McDonald, Jr., President of the Zenith Radio Corporation.

After Commander McDonald had supplied Morton with a short-wave set adapted for the Chicago DC district, Morton had the cabinet done over in jet black with chronium trimmings.

"It was so attractive that I decided to put in a complete line of ebonized sets", McDonald explained, "and now the customer can take either the ebonized job or the walnut job."

Before establishing the ebony line, which was featured in a full window display by Marshall Field, Commander McDonald learned from F. L. Ryder, of the Mason & Hamlin piano marketers, that 40 per cent of these pianos sold are in ebony and the other 60 per cent is divided between walnut and mahogany.

Scoffing at fears that ebony might not fit in with other house furnishings, Ryder said:

"One of the fundamentals that is taught to all interior decorators is that when in doubt use ebony."

X X X X X X X X

HIGHER POWER URGED FOR FARMERS

Higher power for all broadcasting stations as the only means of overcoming interference and static suffered by 25,000,000 listeners, particularly farmers and small-town residents, was urged by Dr. Orestes H. Caldwell, editor of Radio Today, and former Federal Radio Commissioner, reporting to the joint committee on radio, of the Edison Electric Institute, National Electrical Manufacturers' Association and the Radio Manufacturers' Association, at New York, Nov. 7.

With electrical noise levels rising constantly higher in cities, as electrical applications increase, stronger broadcasting intensities are needed if listeners are to hear unimpaired the great programs on which the broadcasters are spending millions annually, declared Dr. Caldwell, who spoke as Chairman of the sub-committee on broadcasting.

X X X X X X X X

INDUSTRY NOTES

The award of the American Academy of Arts and Letters for good diction on the radio during the past year will be made to the winning announcer on Thursday, November 14, at the annual celebration of the Academy over an NBC-WJZ network at 3:30 P.M. EST.

What is described as a handbook of modern radio operating for technical men has just been published by McGraw-Hill Book Company, Inc., New York, under title of "Practical Radio Communication" by Arthur R. Nilson and J. L. Hornung.

Leo Spitz, of Chicago, a lawyer, will become President of the Radio-Keith-Orpheum Corporation, succeeding Merlin B. Aylesworth, who is to become Chairman of the Board. Selection of Mr. Spitz to head the motion-picture company was announced by Floyd B. Odlum, President of the Atlas Corporation, which, with the investment banking firm of Lehman Brothers, purchased control of R-K-O last month from the Radio Corporation of America.

A detailed analysis of the radio market in Austria has just been published by the Electrical Division of the Bureau of Foreign and Domestic Commerce, Department of Commerce. It shows, among other things a gain of 20,000 sets within the year 1934. Copies may be obtained for 25 cents from the Commerce Department.

The incorporators of the New York 1939 World's Fair Corporation elected a permanent Board of Directors at its recent meeting. The Board, which will have charge of the developments and conduct of the Fair, consists of twenty-one members of which David Sarnoff, President of the Radio Corporation of America is one.

The new Hollywood studios of the National Broadcasting Company, providing the most advanced technical facilities known to radio engineers for NBC's broadcasts from the movie capital, will be dedicated about December 1, it was announced this week by Richard C. Patterson, Jr., Executive Vice-President of NBC.

M. H. Aylesworth, President, and Mr. Patterson will be on hand for the ceremonies, which will be attended by stars of the radio, screen, stage and music worlds, business leaders and other celebrities.

X X X X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF NOVEMBER 12, 1935

No. 876

November 12, 1935

ST. LOUIS ALDERMAN PROPOSES BAN ON AUTOMOBILE RADIOS

Just as the public is being trained to accept the radio set as almost standard equipment in the up-to-date automobile, an alderman in St. Louis has introduced a proposed ordinance to prohibit auto receivers on the ground that they are a traffic hazard. Similar proposals have been made from time to time in other cities and States, but so far none has been adopted as a law. Among the cities that have discarded such a suggestion, after an investigation, was New York City.

Alderman John J. O'Connor introduced the St. Louis ordinance, and is reported to have the support of Major Lambert of the Police Commission.

Upon learning of the latest threat, all radio interests, including broadcasters, jobbers, dealers and manufacturers, united in preparing opposition on the ground that the ordinance would be unfair to public and industrial interests and unwise.

Bond Geddes, Executive Vice-President of the Radio Manufacturers' Association, in a telegram of protest, said:

"Automobile radios have been sold to many millions during the last six years, and many investigations have been made by State Commissions and Municipal authorities.

"The results have been that not one State or city has prohibited or even regulated automobile radio with general findings that it is not a highway hazard but a safety factor reducing driving speed to attain enjoyment of radio reception.

"Our records show not one fatal or serious accident attributable to automobile radios, and insurance investigations have been such that insurance companies require no extra premium on account of automobile radios."

Geddes estimated that there are at least 100,000 radio-equipped automobiles in Missouri, with most of them in St. Louis, and that the public investment in them is more than $3,000,000.

The Public Utilities Commission of the District of Columbia several years ago adopted a regulation prohibiting taxicabs from operating radio receivers while in motion, but public demand for the entertainment has resulted in non-enforcement.

X X X X X X X X X X X

NEWSPAPERS PROTEST AGAINST A.P. FEE FOR BROADCASTS

Inauguration of two ten-minute general news broadcasts over WMCA, New York, by the World-Telegram has revealed protests from many quarters, including three newspaper chains, against assessments levied by the Associated Press on member newspapers for broadcasting local news.

The position of the A.P., as explained by Jackson S. Elliott to Editor & Publisher, is that the fee is but a revival of A.P. by-laws enforced for several weeks early in 1934 prior to the organization of the Press-Radio Bureau. This by-law stated that local news gathered by a member paper is property of the A.P. for republication.

The levying of a 5 per cent assessment on general and line charges as of October 5, Elliott said, was merely the carrying out of this policy adopted by the directors.

Lee B. Wood, Executive Director of the World-Telegram replied that the policy of charging a member "for unsponsored broadcasting of news which it has collected itself" is "unmitigated gall".

Besides the Scripps-Howard chain, papers of the Paul Block and the Hearst chains, have similarly protested against the A.P. assessment.

Employees of the A.P. recently contributed money to pay for a full-page advertisement in Editor & Publisher to point out that the Associated Press is the only United States general wire news service that does not sell its products for broadcasting directly.

X X X X X X X X

LABOR GROUP SEEKS THIRD STATION; AT INDIANAPOLIS

The International Typographical Union of North America has filed an application for a construction permit to build a new station at Indianapolis for operation on 560 kc., 1 KW, daytime and 5 KW at night, with unlimited time, requesting the facilities of WIND, Chicago.

Labor now has two radio stations: WCFL, operated by the Chicago Federation of Labor, and WEVD, New York, a memorial to Eugene V. Debs, noted labor leader.

X X X X X X X X

INTERNAL REVENUE BUREAU HOLDS CERTAIN DISKS UNTAXABLE

Electrical transcriptions for broadcasting of "sound-on-disk" type are not "records for phonographs" within the meaning of Section 607 of the Revenue Act of 1932, according to a ruling of the Bureau of Internal Revenue, and are not subject to tax under that section. Former decisions on this subject are reversed and modified to accord with this decision.

Some of the highlights of the decision follow:

In S.T. 550 it was held that electrical transcriptions used by broadcasting systems are records for phonographs and taxable as such under the law; and in S.T. 651 the conclusion was reached that motion-picture records of the "sound-on-disk" type also come within the general class of records for phonographs. Reconsideration of these decisions is requested.

"At the time section 607 was enacted the word 'phonograph' had acquired a definite meaning both in the minds of the public and in judicial decisions and it is to be assumed that Congress had that meaning in mind and used the word in that sense when it enacted this provision.

"According to the Encyclopedia Britannica the phonograph is an instrument for reproducing sound by transmitting to the air the mechanical vibrations of a stylus in contact with a sinuous groove in a moving record. Less specifically, the term designates any instrument for the recording or subsequent reproduction of sound. Congress in imposing a tax on 'records for phonographs' could not have had in mind this general definition of the word 'phonograph.' If such were the case, all records embodying the principle of the phonograph would be taxable, including motion picture records of the sound-onOdisk type, records made by police departments in gathering evidence, etc. Technically, the machines which record sound as well as those which reproduce it are phonographs, but from a consideration of the language of section 607, it is evident that Congress had in mind only the machines which reproduce the sound. Such a machine has a revolving turn-table, a sound-arm holding a diaphragm in which is fastened a needle or jewel, and a sound-box or horn.

"The word 'phonograph', according to its ordinary meaning as well as its technical meaning, does not include the equipment used in broadcasting studios, but refers to those instruments which, prior to the advent of the radio, were extensively used in homes to reproduce sound mechanically from records designed for use on such instruments, i.e., ordinary phonograph records, or to use the language of the Act, 'records for phonographs.'

"There is strong and ample judicial authority for the view that for the purposes of the excise tax the Bureau should ascertain the commercial significance of the words 'records for phonographs' and construe them accordingly. From evidence

submitted it is obvious that in the industry concerned a very definite distinction is made between phonograph records and electrical transcripsions and that the latter are not commercially known as 'records for phonographs.'

"The phrase 'records for phonographs' used in the Act also indicates that use is the criterion. In other words, not all records are taxable but only those for phonographs. * * * *The leading case on this point is Magone v. Wiederer (159 U.S. 555). Applying this principle to the present inquiry, it is clear that the chief use of phonograph records or 'records for phonographs' is in connection with those instruments which are technically, commonly, and commercially known as phonographs and the fact that phonograph records are also used for broadcasting purposes does not change the nature of their chief use.

"In view of the foregoing, it is held that electrical transcripsions for broadcasting purposes and motion-picture records of the 'sound-on-disk' type are not 'records for phonographs' within the meaning of section 607 of the Revenue Act of 1932 and are not subject to tax under that section. Those records which are commonly and commercially known as phonograph records, even though they are frequently played over the radio, are nevertheless, 'records for phonographs' and are taxable as such."

X X X X X X X X X X

LIQUOR DEALERS OPPOSE FEDERAL CONTROL OF ADVERTISING

A proposed Federal regulation which would require all liquor advertisers to reveal the alcoholic formulae of their products is being opposed strenuously by the National Wholesale Wine and Liquor Dealers' Association. The regulation, sponsored by the Federal Alcohol Administration, would apply to radio and other media.

This action was taken at convention in New York just as an unofficial report became current that a move is under way among liquor dealers themselves to withdraw accounts from the air on the ground that it is too effective, i.e., that it reaches too broad an audience. Some of the largest dealers are afraid that the drys will base a new crusade for prohibition on the ground that liquor radio advertising reaches the young as well as adults.

The FAA held a hearing October 31st to give dealers an opportunity to discuss the proposed advertising regulations, which would require, besides the alcoholic content, the percentage of neutral spirits used, and the name and address of person responsible for the publication or broadcast.

X X X X X X X X X

BROADCAST ADVERTISING CONTINUES ITS UPWARD TREND

Broadcast advertising during the third quarter of 1935 gained 33.2 per cent over the corresponding period of 1934, according to tabulations of the National Association of Broadcasters. This is in line with the current year's record to date. Time sales for the first nine months are 22.3 per cent above the similar three-quarters of 1934.

Important gains were experienced by all portions of the medium, with national non-network and regional network advertising showing the greatest improvement. Non-network advertising increased on all sizes of stations. Clear channel and local station volume showed the greatest gains.

The largest increase in non-network advertising occurred in the South Atlantic-South Central Area and in the Pacific and Mountain Area.

Transcription and live talent volume experienced the greatest gains in the national non-network field, while transcription and record volume showed the most pronounced improvement in the local broadcast advertising field.

Food, confectionery, household equipment, and tobacco advertising experienced the greatest gains in the national network field. Regional network advertising showed marked increases both as to volume and variety of business.

In the national non-network field, automotive, food, confectionery, soap, and tobacco advertising registered the greatest rise. Automotive, cloghing and house furnishing advertising were the principal sponsor groups to show gains in the local field.

General retail advertising experienced an increase of 47.6% as compared with the corresponding period of 1934. Department store volume rose 29.2%.

The total broadcast advertising volume for the third quarter follows:

Class of Business	Gross Time Sales Third Quarter 1934	1935
National networks	$7,304,237	$9,451,157
Regional networks	133,581	256,203
National non-network.	2,147,775	3,607,935
Local	3,294,849	3,840,055
Total.	$12,880,442	$17,155,350

Advertising volume by major media was distributed as follows:

Advertising Medium	Gross Time Sales Third Quarter 1934	1935
Radio broadcasting	$12,880,442	$17,123,410
National magazines	24,837,024	24,713,755
National farm papers	1,060,717	1,132,083
Newspapers	109,712,900	116,317,000
Total.	$148,491,083	$159,346,248

X X X X X X X X X X

TELEPHONE INQUIRY FORCES FCC AGAIN TO SPLIT OFFICE FORCES

Because of the extra personnel necessitated by the impending inquiry into the American Telephone & Telegraph Company and because the Interstate Commerce Commission wanted back some of the office space it lent, the Federal Communications Commission has again been forced to divide its headquarters.

The Engineering Division of the telephone inquiry, Examiners and an accounting staff have been moved to a former hardware store at Eleventh and G Streets, Northwest, along with the International Accounts Division.

The Accounting Division of the special investigation staff has been moved to the Washington Star building, Eleventh Street and Pennsylvania Avenue. The Legal staff of the telephone inquiry will be shifted there shortly.

Rearrangement of FCC offices in the ICC and Post Office Buildings also was necessitated in some instances.

X X X X X X X X

WGN WILL SOON FILE APPLICATION FOR 500 KW AUTHORIZATION

As soon as the smoke of the various engineering proposals clears away at the Federal Communications Commission, WGN, the Chicago Tribune station, will file an application for an increase in power from 50,000 to 500,000 watts power.

This would bring the number of super-power stations to two, the only station now authorized to use such power being WLW, Cincinnati. Should the Commission follow recommendations of its Engineering Division, however, several super-power stations may be authorized within the next year.

If WGN should be allowed to step up its power ten-fold, its primary service area would be broadened from the present 50 to 75 miles to 300 miles. The secondary area of the station would blanket the entire country.

X X X X X X X X

11/12/35

PRALL INVITES 40 TO JOIN RADIO-EDUCATION GROUP

Some 40 educators and broadcasters over the country have been invited to join the Radio-Education Committee sponsored by the Federal Communications Commission, it was learned today.

Anning S. Prall, Chairman of the FCC, has sent out the invitations, but no names will be made public until answers are heard from all the invitations. Dr. John W. Studebaker, Chief of the Office of Education, is Chairman of the Committee.

Mr. Prall predicted that the Committee will be able to solve the whole problem of the role of education in broadcasting through the cooperation of the FCC and the broadcasters, who have already contributed financially to the undertaking.

X X X X X X X X X X

GENERAL HARBORD SEES TELEVISION A FEW STEPS CLOSER

Although television as a practical public service is not an immediate possibility, the path toward it has been smoothed by the increasing knowledge of ultra-short waves, General James G. Harbord, Chairman of the Board of the Radio Corporation of America, said in an address November 12 at Princeton University.

"We may even dream of a far-off day of television in colors", General Harbord said, while explaining that he was speaking of frankly romantic speculations.

Television seems a nearer possibility today than the sending of a telegram across an ocean without wires did on the eve of Marconi's first transatlantic test, he added.

Discussing the progress in high-speed facsimile, General Harbord revealed that an experimental, non-commericial, service between New York City and Philadelphia will be inaugurated before the end of the year.

X X X X X X X X X X

NEW AUDIBLE ARTS JUVENILE RADIO LIST TO BE APPROVED

A supplementary list of radio programs suitable for children is to be issued next month by The Radio Institute of the Audible Arts, founded by Philco Radio & Television Corporation. It is being compiled by the Radio Committee of The Child Study Association of America, which is now reviewing for this purpose not only juvenile programs, but adult programs as well, that may be of interest to the younger members of the family.

The committee is headed by Mrs. Cass Canfield as Chairman, and is under the general supervision of Mrs. Sidonie Matsner Gruenberg, director of the Association and a member of the Advisory Committee of the Radio Institute. Its members are mothers who are not being guided solely by their own reactions to programs but who are taking into account the radio likes and dislikes of their children.

Encouraged by the widespread interest manifested by parents and educators in the juvenile radio program list issued by the Radio Institute last Spring, the Child Study Association is looking further into the matter of musical programs, adult programs and news broadcasts that will help cultivate good taste in the younger generation.

The same criteria by which the value of children's programs was measured will be applied to adult programs, broadcast at times when children listen in. They will be tested for emotional emphasis, taste, truthfulness and reliability, attitude and sentiment, language and advertising content.

X X X X X X X X X X

NOTABLE TO HONOR McCOSKER AT DINNER

The Ladies Auxiliary of Infants Home of Brooklyn will pay tribute to Alfred J. McCosker, President of WOR and Chairman of the Mutual Broadcasting System, at a dinner Saturday, November 23, at the Hotel Plaza, New York. Grover A. Whalen, Mayor Fiorello H. LaGuardia, Alfred E. Smith, Senators W. Warren Barbour and A. Harry Moore, of New Jersey and Robert F. Wagner, of New York, and Postmaster General James A. Farley have accepted invitations.

Federal Communications Commission Chairman Anning S. Prall, RCA's David Sarnoff, Merlin H. Aylesworth, President of the NBC, Jack Straus, Edward P. Mulrooney, Louis Bamberg and Mayor Meyer C. Ellenstein, of New York will also be present.

X X X X X X X X X X

INDUSTRY NOTES

The cup awarded as the trophy of the First Annual Golf Tournament of the Washington Trade Association Executives was won by Bond Geddes, Executive Vice-President of the Radio Manufacturers' Association. The tournament was held at the Burning Tree Country Club and Mr. Geddes turned in a score of 89, which was low gross and low net.

The presentation was made by John C. Gall, of the National Association of Manufacturers, President of the Trade Association Executives.

Thomas Patrick, Inc., operator, of KWK, St. Louis, Mo., has filed an application with the Federal Communications Commission to install new equipment and move the transmitter from Kirkwood to St. Louis.

The Canadian Radio Commission has announced that Jack Radford, formerly in charge of CRCW, Windsor, has been appointed General Manager of CRCV, Vancouver, and Peter Aylen, former staff announcer at CRCT, Toronto, has succeeded him at Windsor.

The Ford Motor Co. has announced a new Sunday series presenting Jose Manzanares and his South American Orchestra over an extensive coast-to-coast WABC-CBS network, beginning December 1, from 2:30 to 3:00 P.M., EST. There will be a rebroadcast for Pacific stations at 5:30 P.M., EST.

The application of the Mountain States Broadcasting Corporation, Salt Lake City, Utah, for a construction permit on 550 kc., with 500 kw., unlimited time, has been dismissed without prejudice on request of the applicant.

Engineers of the New York Division of the National Broadcasting Company will hold their first annual supper dance at the Waldorf Astoria on November 19. Prominent officials of the NBC, announcers, production men and foremost NBC stars will attend.

X X X X X X X X X

CBS DEVISES MIKE FOR ROOSEVELT AS POLITICS TURN TO RADIO

The Columbia Broadcasting System is building a new radio broadcasting reading stand for President Roosevelt, and it is being especially designed for rear-train broadcasts. Significance is attached to this information by Raymond Clapper, political columnist of the Washington Post, who states that, "Some of Mr. Roosevelt's advisers expect him to use the air considerably next year."

Some idea of the President's technique in broadcasting speeches from the rear end of trains, as he did during his recent western trip, is given by Clapper, who accompanied him, in explanation of the need for a new microphone.

"On the President's recent West-ward trip some difficulty was encountered, notably at Fremont, Nebr., in broadcasting from the rear platform of the special train", he wrote.

"There was no reading desk upon which the President could place his manuscript, nor was there any way the microphones could be conveniently set up before him. Attendants either held them up from the ground or strapped them to the railing of the car with adhesive tape. The new desk, which can be taken apart and easily carried aboard the President's train, is designed so that, when set on the rear platform, microphones can be quickly attached and detached.

"It is especially necessary to be able to detach the mikes quickly because of Mr. Roosevelt's technique when campaigning from his train. The train stops and a large crowd has been assembled. Usually a loudspeaker has been rigged with portable microphone so that the entire crowd may hear. Mr. Roosevelt's method, where no set speech is scheduled, is to wait inside almost until time for the train to leave, and then appear for a moment to wave and say a few words of greeting to the crowd. The signal to start the train is given as soon as the President finishes his greeting. That makes a more dramatic getaway and eliminates the awkward pauses which always embarrassed Mr. Hoover. Having smiled and said it was a nice day and he was glad to see everyone out, Mr. Hoover, while waiting for the train crew to finish watering the engine, would stand there and stare at the crowd and the crowd would stare at him. There would be either dead silence or someone would yell, 'Hello Herbie', which was about as bad."

Explaining why Roosevelt's advisers are urging him to use the radio more frequently, especially as the 1936 campaign nears, Clapper said:

"One reason they feel this is necessary is that a large percentage of the press is opposed to him. He has probably the best radio speaking voice in public life and it is the natural thing for him to utilize the radio to get his story over first-hand to the public instead of depending entirely upon the press.

"One Administration official, weighing the relative strength of the press and the radio, says that the radio is more effective for one strong smashing speech at intervals but that in the long run the newspapers probably are more effective because they come back to the attack day after day, and by persistent repetition and emphasis upon material adverse to the Administration more than offset the President's direct voice appeals."

X X X X X X X X

RADIO STATION BALKS TAX ATTEMPT OF STATE OF WASHINGTON

Broadcasters the country over observed with interest the preliminary success of KVL, Seattle, Wash., in balking the Tax Commission of the State of Washington from collecting a newly-authorized tax on radio stations.

The Unted States District Court of the Western district granted interlocutory injunctions restraining the Tax Commission and denied a motion by the State to dismiss the KVL suit.

The Federal Court, in effect, held that operation of a radio station comes properly under the commerce clause of the Constitution and that Federal Communications Commission has pre-emoted the field of broadcasting.

Under the Washington statute a tax of one-half of 1 per cent of the gross income of station would be collectible by the Commission.

The Court in its unanimous decision stated:

"The Bills of Complaint allege that segregation of intrastate business from interstate business and complainants' withdrawal from their intrastate business are all impossible. Such allegations are taken as true at this stage of the proceedings. It follows that if these allegations be true and the nature of the business and of radio activity and communications is as described in the bills of complaint, the statute imposing the tax is invalid, imposing, as it does, a direct burden on interstate commerce."

X X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF NOVEMBER 15, 1935

No. 877

PRALL PREDICTS EARLY GENERAL REALLOCATION

The Federal Communications Commission is working fast nowadays, despite the approach of the Christmas holidays, in an effort to get its plan for a general reallocation of the broadcasting setup drafted before Congress has a chance to call for an investigation on Capitol Hill.

Chairman Anning S. Prall, who as a former Representative from New York knows Congress' weakness for investigations, predicted that the FCC will be ready to open a long series of public hearings, preparatory to a shake-up in the broadcasting bands, early next year. He said he expects the hearings to last through March, when the new reallocation order may be forthcoming.

While keeping one eye on the approaching session of Congress, members of the Broadcast Division of the Commission are trying at the same time to keep down their colleagues who, though not directly connected with the broadcasting supervision, are outspoken in their criticism of the present operations of networks and stations. Commissioner George Henry Payne has several times this year assailed commercial broadcasters for their commercialism and questionable programs.

Commissioner Irvin Stewart is the latest to upset the Broadcast Division with his imposing-looking proposal that the FCC adopt special regulations for the regulation of chain broadcasting and return to the former policy of reserving the 40 clear channels for high-power stations designed to serve the sparsely settled areas.

Although his motion asked that the Broadcast Division investigate and report on his proposal, it is already as good as pigeon-holed. Commissioner Prall said with restrained sarcasm:

"The motion was entirely superfluous. The Communications Commission has been engaged in a study of the whole broadcasting structure, including the clear channels, for some months. Commissioner Stewart must not have been informed, else he would not have made such a motion."

Prall explained that the Engineering Division, which has already made reports on other phases of the proposed reallocation, expects to submit a study of the clear channels within six weeks.

Asked why the FCC considers the shake-up necessary at this time, Chairman Prall said:

"There has not been a general reallocation in seven years. Considerable progress has been made since 1928 in the technical fields of radio transmission, and we want broadcasting to keep abreast of these developments. We believe a reallocation is necessary if the broadcasters and the public are to get the maximum efficiency out of the limited frequencies."

Among the recommendations made to the Commission by its Engineering Division are the following:

That the 40 clear channels be reduced but that provision be made for 25 stations, of 500,000 watts power.

That the FCC order a horizontal increase in power from 1,000 to 5,000 watts at night on seven of the 40 regional channels, raise to 1,000 watts at night the power of stations on 17 regional channels, and fix a lower mileage separation on the remaining 16 regional channels with power from 250 to 1,000 watts at night and 5,000 watts daytime.

Seventy-two stations are now on the 17 channels on which the power would be raised horizontally, while 86 stations are using the 16 channels which would get the varying step-ups.

While the FCC has had nothing to say, unofficial reports have been circulated that the regional phase of the shake-up may be postponed indefinitely, or at least until after the 1936 elections.

One report was that William Paley, President of the Columbia Broadcasting System, protested against the move both to Prall and in a call at the White House this week.

Anticipating widespread increases in power, numerous stations already have filed applications for 5,000 watts, and a half-dozen stations are ready to ask for 500,000 watts as soon as the time is ripe. KNX, Hollywood, has already filed its application, and applications are anticipated from WGN, Chicago; WSM, Nashville; KFI, Los Angeles; and the New York and Chicago key stations of the National Broadcasting Company and the Columbia Broadcasting System. There is only one 500 KW station operating now. It is WLW, Cincinnati.

The Engineering Division's recommendations relative to the clear channels, long a bone of contention, is expected to be that the 40 be reduced to 25. The latter would be reserved for the super-power transmitters, while the other 15 would be opened for duplication of stations, as is now being done on many of the clear channels.

That this proposed reduction will arouse protests in Congress is certain because many Representatives and Senators held with the former Senator C. C. Dill, of Washington, that the clear channels should be reserved for the wide open spaces. The

tendency of the Federal Radio Commission and the FCC, however, has been away from the original plan.

Commissioner Stewart appears to have taken up Senator Dill's cudgels now, and will doubtless arouse a great deal of support in Congress. His guns are directed chiefly against the networks because of their domination of the clear channels. His analysis showed that only one of the 40 clear channels has a station with no chain affiliations.

Members of the Broadcast Division appear confident that at least one perennial attack on broadcasting in Congress may be forestalled when the Radio-Education Committee gets busy trying to work out a scheme for semi-public use of commercial broadcasting facilities for educational and religious programs on a systematized basis. The committee is now in the process of formation under the auspices of the FCC and the Office of Education.

Another basis of hope - and probably the most substantial - at the Broadcast Division is that members of Congress will be so eager to adjourn the next session early in order to begin their election campaigns that they won't have time to punt the political football - broadcasting - before 1937 anyway.

X X X X X X X X X X

MPPA WON'T REQUIRE LICENSE FOR RECORDING LIVE PROGRAMS

The Music Publishers' Protective Association has decided not to require broadcasters to obtain licenses to manufacture recordings of their own live programs following a conference with officers of the National Association of Broadcasters.

John G. Paine, Chairman of the Board of MPPA, has informed James W. Baldwin, Managing Director of the National Association of Broadcasters, by letter that the music publishers' organization has decided not "to press our roughts" at the present for fear of causing "not only embarrassment but very serious confusion."

The action followed loud protests from broadcasters, which led to negotiations. Paine left a loophole for MPPA, however, by implying that the issue may be revived later after schedules can be worked out.

X X X X X X X X

RADIO SPEEDS NAVAL MANEUVERS; GREAT ADVANCE SINCE WORLD WAR

Technical advances in radio since the World War "facilitate the maneuvering" of the United States fleet, Lieut. W. B. Ammon, U.S.N., writes in the current issue of the Scientific American.

"Radio serves as the fleet's voice and ears, making communications as vital to the Navy as gunnery, engineering, and damage control", he continues.

"Radio permits the far-flung scouts to give vital information instantaneously to the Commander-in-Chief and his subordinate commanders, whether the scouts be submerged submarines, swift cruisers and destroyers, or speeding aircraft. It facilitates carrying out the principles underlying the dissemination of information. It is the means by which the Commander-in-Chief may disclose his plan simultaneously to a hundred or more scattered but alert ears just before meeting the foe. Hence, he is better able to take advantage of the tactical element of surprise. During action, radio is the invisible means of putting the heavy guns on distant targets. It is the agency used to give information of damage inflicted on the enemy to the team captain and the instrument to enable him to harmonize the actions of his forces and direct their efforts so each contributes the maximum effectiveness to the whole. * * *

"The major advance is considered to have been the perfection of the vacuum tube. Some of the earliest types of tubes had a life of about 70 hours and cost approximately 50 dollars each. Today the life is measured in thousands of hours and the cost is only a few dollars. Vacuum tube development made available many types of compact transmitter and receiver circuits which were suited to installation in the confined spaces allotted in a man-of-war. The detection and amplification of signals improved greatly and resulted in longer range receivers. With progress in the technique of vacuum-tube manufacture, transmitter power and sturdiness of tubes was improved and the communication range between ships has increased from a few miles to thousands of miles.* * * *The evolution of the vacuum tube was the primary step toward fulfilling the Navy's demands for rugged equipment suited for long or short range transmission, simultaneous communication on many channels, and capable of either telegraph or telephone use by submarine, surface ship, airplane, or land station.

"Another development increasing radio's value in naval operations was the elimination of much of the interference experienced during the World War. Frequency stability has been perfected and with it the means for rapid shifting of frequencies and accurate calibration of transmitters and receivers. Hence, without mutual interference, frequencies close to each other in

the radio spectrum can be assigned within the same body of ships. The receiving operator's problem is simplified; his attention can be devoted wholly to copying a message instead of attempting to receive it while tuning his set to follow the transmitter's vagaries. More accurate receiver tuning has partially overcome static. Scientific shielding has obviated local interference, particularly in aircraft, where electrical noises from the ignition system, motors and the like, are serious obstacles to good receiving conditions.

"A third improvement was the introduction of automatic transmission and reception. Manual transmission rarely exceeds 35 or 40 words a minute even with a high-speed key or 'bug', while the use of 'automatics' permits speeds above 500 words a minute. Consequently, a circuit's capacity is increased tremendously and the human operator with his inherent errors is eliminated except for punching and copying the tape."

X X X X X X X X

TELEPHONE LINES SERVING RADIO HELD IN INTERSTATE COMMERCE

The Federal Communications Commission held on November 13 that telephone companies which provide wire facilities for radio stations are engaged in interstate commerce and therefore subject to Federal regulation.

The order, issued in the case of the Rochester Telephone Company, of Rochester, N. Y., is expected to affect the status of numerous independent telephone companies.

Under terms of the ruling, any telephone company furnishing wires to broadcasters is held to be engaged in interstate commerce and subject to the Commission's jurisdiction, whether or not its lines cover more than one State.

X X X X X X X X

COLORADO STATION BROADCASTS IMPEACHMENT PROCEEDINGS

The Colorado Senate, instead of barring radio from its impeachment proceedings, voted unanimously to allow KFEL-KVOD, Denver, to broadcast the trial of James Carr, Secretary of State, facing a dozen charges.

KFEL-KVOD, which had previously broadcast proceedings in the Colorado House of Representatives, won so much goodwill that the latter telegraphed the Federal Communications Commission asking an increase in power for the station from 500 to 1000 watts during the impeachment proceedings.

X X X X X X X X

D. C. SUPREME COURT DISMISSES APPEAL OF WSPD, TOLEDO

The District of Columbia Supreme Court has dismissed the appeal of Station WSPD, Toledo, O., from an order authorizing Station WALR to move from Zanesville to Toledo.

Basing its action on the decision of the U. S. Court of Appeals of the District of Columbia, as sustained by the U.S. Supreme Court, the District Supreme Court held the WSPD case was similar to the Jenny Wren case. In that case a station at Kansas City protested against the removal of a station into its territory on the grounds that it would be adversely affected economically. The District Court of Appeals held that the action should be brought before it rather than the District Supreme Court, and a writ of certiorari was subsequently denied by the U. S. Supreme Court.

Counsel of the Federal Communications Commission are now considering whether to grant WSPD a hearing on its protest. If the hearing is denied, the Toledo station has recourse to the District Court of Appeals.

X X X X X X X X X X

BRITISH RADIO ADVERTISERS FIGHT THREATENED CONTINENTAL BAN

Barred from advertising over their own British Broadcasting Corporation stations, British advertisers who have been using continental transmitters are protesting against a threatened ban by the British Post Office Department.

The Incorporated Society of British Advertisers has appealed to Prime Minister Stanley Baldwin in the matter. The appeal has been made on behalf of 500 British manufacturers, including some of the largest concerns in the country, employing many thousands, who have found radio advertising increases sales at home and abroad, thereby increasing the number of employees. As one of the aims of the National Government is to increase employment, it is felt that on this score, at least, their aims for national benefit coincide.

"Least of all should a government, avowedly national in character, allow one of its own departments to take official action in a matter which, in the opinion of British radio advertisers, is an unwarranted restrain of trade, unjustifiable, to the detriment of their interests", the appeal to Mr. Baldwin says. "As to whether the British public wants sponsored programs this, surely, is a matter they can decide. The response of listeners to sponsored programs is indisputable proof of their popularity and their value to radio advertisers as a means of selling goods."

X X X X X X X X

11/15/35

"HAY WIRE" EQUIPMENT IS OUTLAWED ON STATIONS BY FCC

The Federal Communications Commission, engaged in a campaign to eliminate obsolete broadcasting equipment, issued an order November 12 outlawing "hay wire" apparatus to minimize the dangers of injuries or death to operators.

The new rule (No. 132) is effective immediately, but stations are allowed a year in which to comply. The regulation was proposed by Andrew D. Ring, Assistant Chief Engineer in Charge of Broadcasting, and concurred in by the Law Department. It follows in text:

"(a) The transmitter proper and associated transmitting equipment of each broadcast station shall be designed, constructed and operated in accordance with good engineering practice in all phases not otherwise specifically included in these regulations.

"(b) The transmitter shall be wired and shielded in accordance with good engineering practice and shall be provided with safety features in accordance with the specifications of Article 37 of the current National Electrical Code as approved by the American Standards Association.

"(c) The station equipment shall be so operated, tuned, and adjusted that emissions are not radiated outside the authorized band which cause or are capable of causing interference to the communications of other stations. The spurious emissions, including radio frequency harmonics and audio frequency harmonics, shall be maintained at as low a level as required by good engineering practice. The program distortion, audio frequency range, carrier hum, noise level, and other essential phases of the operation which control the external effects shall at all times conform to the requirements of good engineering practice.

"(d) Whenever, in this rule, the term 'good engineering practice' is used, the specifications deemed necessary to meet the requirements of good engineering practice will be published from time to time.

"(e) This rule shall be effective upon its adoption, provided, however, that existing broadcast stations shall be allowed one year in which to meet the requirements herein."

X X X X X X X X

WOMEN'S COMMITTEE HURLS NEW BLAST AT AMATEUR RADIO PROGRAMS

The widespread employment of amateurs for radio programs, already under fire of New York City's relief organizations, is assailed anew by the Women's National Radio Committee in the current issue of its organ, The Radio Review.

"Our grievance", said the Committee, "is not based on the fact that a few men are being made wealthy at the expense of ambitious young people and unemployed professionals who perform at amateur rates. What we do challenge vigorously is the feeble justification offered for prolonging the amateur cycle in radio."

The outburst then continues, in part, as follows:

"The excuse heard most frequently is that it discovers new talent. What for? The graduates of the amateur hour who have received radio contracts may be counted on the fingers of one hand. Certainly, none of them have become the big name stars of radio in the past two years. The contestants who obtain vaudeville engagements are dropped after a while to yield to a new crop of vote-winners. The balance of those who flock to New York City in the hope of appearing on one of the better-known programs, are stranded at the rate of three hundred a week, according to a recent report of the Emergency Relief Transit Bureau.

"Booking agents cannot begin to place all the artists from the legitimate, vaudeville and concert stage who are available for 'cakes and coffee.' Swelling the hordes of these are an ever-increasing number of ex-amateurs, who, having had a taste of the glamour of the stage, are reluctant to return to their former trades. Every large radio studio has lists of artists who have successfully passed audition tests and are now waiting for an opening.

"The closing down of vaudeville on the Loew and R-K-O circuits means that engagements for variety artists are limited to the few theatres which still have stage shows.

"Nevertheless, despite this oversupply of talent, the amateur hour continues - because it is cheaper to produce; because those who are making money out of the idea are anxious to keep it alive; because clever publicity buildups give the impression that the entire country is clamoring for amateurs; and, finally, because the sponsors are also advertisers in magazines and newspapers, and as a matter of good business, attacks on their programs are soft-pedalled."

X X X X X X X X

11/15/35

STRATOSPHERE FLIERS ALSO SET RECORD IN RADIO CONVERSATION

The intrepid Army Air Corps fliers, Capts., Albert W. Stevens and Orvil A. Anderson, who went higher in the stratosphere than any other human beings on November 11, also established a record in prolonged radio conversation. They talked intermittently over the radio with associates on the earth for nearly eight hours.

Starting within twenty minutes after their take-off, they talked with one person or another on a multitude of subjects throughout the day.

Captain Stevens was especially active, listening to advice from three of the corps of scientists attached to the expedition, but chatting with a Pan American airplane over the Pacific, and in the next minute patiently answering the questions of a London newspaper man. He talked to the plane over the Pacific several times.

Wherever any one of consequence wanted to talk to the stratosphere balloon, engineers of the National Broadcasting Company quickly set up a microphone transmitter and receiver and quickly tuned in the balloon.

Reception and transmission, for a minute here and there, were characterized as perfect by Captain Stevens and his associates on the ground. Listeners on household sets could not only follow the conversations clearly, but could also hear the ticking of the Geiger counters registering the arrival of the cosmic rays; the regular tripping of the machinery operating the battery of cameras, and finally toward the end of the flight the grunts and suppressed voices of the two fliers as they joined in heaving ballast overboard to slow up the descent of their ship.

There was no difficulty in identifying the speakers. Captain Stevens' Down East twang, with the clipped enunciation that comes only from Maine, contrasted with the drawl of Captain Anderson, who was reared on a Utah cattle ranch.

X X X X X X X X

ZENITH ENJOYS 125 PER CENT INCREASE OVER LAST YEAR

The Zenith Radio Corporation, Chicago, is experiencing a 125 per cent increase in business over last year, and shipments, both in sets and dollar volume, during July and August were the largest of any similar months in the company's history, according to E. F. McDonald, Jr., President.

"September was the largest month since December, 1929, and during October we shipped more sets than in any other month since we have been in business", McDonald said. "We at present have many thousands of unfilled orders on our books."

Ninety per cent of the Zenith line is all-wave with foreign reception. Zenith claims to be a pioneer in short-wave receiving sets for public markets, having launched them in 1923.

Profits of the Zenith Corporation for the quarter ending October amounted to $390,000, subject to Federal profit taxes andyear-end audit and reserve adjustments.

McDonald pointed out that Zenith has not had a factory service man in the field since a year ago last June and has had no call for one despite the preponderance of all-wave sets sold.

X X X X X X X X X

RCA REPORTED SELLING ENGLISH TELEVISION HOLDINGS

The current issue of Variety carries the following:

"While officials of Radio Corporation of America are not denying possible sale of its share holding in Electrical & Musical Industries, Ltd., they have refused to comment. EMI is actively involved in television in England and supposition is that interest in company originally was obtained to cash in on possible developments in this field abroad.

"David Sarnoff, President of RCA, who recently returned from trip abroad on which he spent considerable time in London, has made denial that any deal has been made on company's holdings in EMI. However, in Wall Street reports persist that a large block of stock may be disposed of to British interests.

"This would be looked on in financial circles as partial admission that RCA does not regard commercial possibilities of television abroad as financially great.

"Holding of RCA in Electrical & Musical Industries, Ltd., as reported last year totaled 1,700,000 shares of common and 1,000 shares of preferred. The common stock represented slightly over 29% of the outstanding EMI stock. This was carried on the books of Radio Corp. at $13,189,431 at close of last year."

X X X X X X X X

INDUSTRY NOTES

Alois Havrilla, veteran announcer of the National Broadcasting Company on November 14th was awarded the 1935 Radio Diction Medal of the American Academy of Arts and Letters. The medal is given annually to the radio announcer whose diction, in the judgment of the Academy, has been outstanding during the preceding year.

NBC announcers have won the award five of the six times it has been made. In 1929, the first year it was offered, it was given to Milton J. Cross; in 1930, to Alwyn Bach; in 1931, to John Holbrook; in 1932, to David Ross, and in 1933, to James Wallington. There was no award last year.

Paul A. Walker, Chairman of the Telephone Division of the Federal Communications Commission on November 14 addressed the Oklahoma State Society of Washington, D. C., in commemoration of the late Wylie Post and at the 28th anniversary of Oklahoma's Statehood. Mr. Walker comes from Oklahoma.

The Columbia Broadcasting System has announced the appointment of Dr. Frank N. Stanton to the Market Research Department under John J. Karol, Director. Dr. Stanton is best known for his psychological studies in the field of audible vs. visual advertising media and is the author of "Memory for Advertising Copy Presented Visually vs. Orally". He comes to CBS from the Department of Psychology at Ohio State University.

Philadelphia radio stations scooped local newspapers in reporting the recent elections, according to Billboard, which says:

"If ever the Philadelphia newspapers lost a battle to radio, they certainly did election day, being whipped to a pulp all around. What was a well-laid plan to freeze out radio from getting the election returns went for naught and in turn it was radio which picked up all the scoops, one paper running a special edition on the strength of a radio flash."

X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF NOVEMBER 19, 1935.

No. 877

November 19, 1935

WORLD RADIO SETS NUMBER 56,221,784; U.S. HAS 25,551,569

The United States has lost slightly on its tremendous lead in the possession of radio receivers among the countries of the world, but it is still far from being threatened. Out of 56,221,784 sets in the world, this country has 25,551,569. Not so long ago the United States had more than half the radio sets in existence, then half; now it's about 3,000,000 under the half-way mark.

Statistics compiled by the Electrical Division of the Bureau of Foreign and Domestic Commerce show the United Kingdom runs a far-behind second with 7,055,464 radio-equipped homes. Actually, it doubtless has more sets than that because additional sets may be operated by a licensee with only one permit.

Germany comes third with 6,516,732; France has 2,763,123; Russia, 2,000,000; and Canada 812,335.

Japan has 2,190,040 of Asia's 2,553,396 sets although it is the smallest country territorially.

South America has 1,088,374 sets, of which 650,000 are in Argentina and 210,000 in Brazil. Mexico has 130,000 receivers; Alaska, 1,500; China 200,000; and Philippine Islands, 22,120. Ethiopia had but 25 sets on December 31, 1934, but it is likely this number has increased since the Italo-Ethiopian War started.

The United States in 1934 exported 625,667 of the sets sold over the world. The distribution of radio sets by continents follows:

North America	25,632,981
South America	1,088,374
Europe	22,897,981
Europe-Asia	2,010,000
Asia	2,553,396
Oceania	829,851
Africa	209,201
WORLD	56,221,784

X X X X X X X X X X

METROPOLITAN OPERA AUDITIONS BROADCAST HITS SNAG

A plan to broadcast auditions given to applicants for jobs with the Metropolitan Opera Company has run into a snag, it was revealed Nov. 15 when the National Broadcasting Company applied in Federal Court at Manhattan for an order to restrain Charles Henry Freeman, Jr., New York booking agent from attempting to upset an arrangement it has with the Sherwin-Williams Company, prospective sponsor of the programs.

The NBC also filed suit for $62,308 damages against Freeman. Cecil Warwick & Cecil, New York advertising agency joined in the request for an injunction, and asked $16,583 damages but at the request of Samuel Seabury, attorney, who appeared as counsel for Freeman, hearing was postponed until Nov. 23.

The first program, to be called "Metropolitan Auditions of the Air", was to have been broadcast Dec. 1, and repeated for thirteen consecutive Sunday afternoons.

On Oct. 26, however, Mr. Freeman wrote a letter to G. A. Martin, President of the Sherwin-Williams Company, saying that he would make the company co-defendant in an action for violation of copyright and breach of confidence, if it acted as sponsor.

Mr. Freeman contended that he had submitted the idea of broadcasting auditions of the Metropolitan to Cecil, Warwick & Cecil in May, 1935. An affidavit submitted by Jack R. Warwick, a member of the advertising concern, contradicted this statement and asserted that Mr. Warwick had thought of the idea and had taken it up with Earl Lewis, Treasurer of the Metropolitan Opera Association.

As a result of the letter written by Mr. Freeman, the company in Cleveland decided not to proceed with the arrangement until the situation had been cleared up.

Negotiations, it was explained, had been conducted with Wilfred Peleltier, conductor, and Miss Geraldine Farrar, as the programs were also to include recognized talent.

The arrangement, the petitioners explained, called for the payment of $1,000 a week to the Metropolitan Opera Association. The NBC Artists Service, said to control all radio operations of the Metropolitan Opera Association, was to have received $250 each week, Mr. Warwick asserted in the affidavit. The advertising agency was to receive a commission of $10,422.06 and the program, including the talent, was to have cost $116,719.

Script for an audition of a proposed program for a prospective client was submitted to John Erskine, Chairman of the Management Committee of the Association. This later was used last July 17 and Deems Taylor acted as announcer, but no sponsor for the program was found until the Sherwin-Williams Company became interested.

X X X X X X X X

ZENITH PRESIDENT MAKES SPECIAL OFFER TO RADIO EDITORS

In order to increase the familiarity of radio editors with reception of foreign short-wave stations, E. F. McDonald, Jr., President of the Zenith Radio Corporation, of Chicago, has offered to supply all radio editors who write to him personally a 50 per cent reduction on any all-wave set f.o.b. Chicago.

Explaining his reasons for the offer, McDonald said:

"A serious handicap in bringing the thrill of tuning in foreign programs to the attention of the listening public thru the newspapers is that so few radio editors themselves have sets capable of picking up these programs. In most cases it is up to the radio editor to buy his own set which frequently works a hardship on him and far from possessing the last word in a receiver he often times manages to get along with one of ancient vintage.

"This is a very unfortunate situation. It deprives the radio editor from first-hand knowledge of some of the world's finest programs now being received daily from London, Berlin, Madrid and other foreign countries. It deprives the listening public from being informed each day what the great broadcasting stations of Europe have to offer.

"Knowing what the possession of a modern all-wave receiver would mean to the radio editor, who has none, in his program work and the real joy he would get from having an up-to-the-minute tool to work with, nothing would give me more pleasure than to present every radio editor in the United States with a set. Obviously, that would be impossible for me to do, and even it if were not, such a gift might be misunderstood.

"I would, however, by way of making it possible for those radio editors who do not now possess the latest in an all-wave receiver, and as my contribution to the good of the cause, give any radio editor who will write to me personally a 50 per cent reduction on any one of our sets F.O.B. Chicago.

"I don't intend by this letter to do a selling job to you on Zenith. You probably know without me telling you what our line means this year. We have had 125 per cent increase in public acceptance since June 1st of this year which I think you will concede is far greater than that accorded any of our competitors. There is only one reason. That is merit of the product. With our new split-second hand, you can accurately log and re-locate at will any foreign station that is on the air and coming in at the time. You don't need to fish around wondering whether or not you have Zeesen, Germany, or Daventry, England. The split-second hand will tell you instantly."

X X X X X X X X X X

COURT DENIES COMPOSER'S MONOPOLY CLAIM ON "YOU NASTY MAN"

Joe Penner's famed phrase, "You nasty man", is not the exclusive property of any song writer, the United States District Court of the Western Pennsylvania District has held.

Dismissing a suit brought by Olga Arline Jurasovic against the National Broadcasting Company and Station KDKA, Pittsburgh, the court said the plaintiff "has acquired no exclusive right to the title 'You Nasty Man', or any title similar thereto for a musical composition".

Olga Arline Jurasovic, of New Brighton, Pa., asked for an injunction restraining the NBC and KDKA from infringing on her copyright of a song, "You Nasty Man", which had been rejected by Joe Penner and never published.

Subsequently, Irving Caesar and Jack Allen and Ray Henderson wrote "Nasty Man" for a movie production of "George White's Scandals". The court held this was an original composition in that the composers had never heard the work of Miss Jurasovic.

A few months later Joe Penner sang the latter composition in the studios of KDKA over an NBC hook-up.

Besides pointing out that there was no similarity in the musical compositions outside the titles, the court commented on the origin of the phrase as follows:

"That for many months prior to October 18, 1933, and thereafter, Joe Penner had originated, and had been the first to use, and had made constant use of, the catch-phrase, 'Oh, you nasty man', in broadcasting his radio entertainment; that said catch-phrase had become very popular, particularly, because of the peculiar intonation used by said Penner, and had become identified with said Penner as his distinguishing mark, and had acquired a secondary meaning with the public as denoting Joe Penner's radio program."

X X X X X X X X

DISMISSAL OF WBHS LICENSE RENEWAL PLEA RECOMMENDED

Dismissal of the application of WBHS, Huntsville, Ala., for renewal of its license on 1200 kc., 100 watts power, sharing time with WFBC, was recommended by Examiner P. W. Seward last week to the Federal Communications Commission. The applicant asked permission to withdraw its application following a hearing in October.

X X X X X X X X X X

SARNOFF ANNOUNCES SALE OF BRITISH E.M.I. SHARES

David Sarnoff, President of the Radio Corporation of America, issued the following statement November 15, verifying reports published earlier in the week:

"The Board of Directors of the Radio Corporation of America has decided to sell the 1,700,000 ordinary shares of the Electrical and Musical Industries, Ltd. of England, now held by RCA.

"These shares are being purchased by the British bankers Messrs. Morgan Grenfell & Company and Edward De Stein & Company of London.

"The price to be paid to RCA for this block of E.M.I. shares has been agreed upon and is $10,220,000, payable in cash within three weeks, in New York funds. The shares are being sold ex dividend and the RCA will therefore receive, in addition to the above amount, the sum of approximately $400,000 in dividends payable this month."

X X X X X X X X X

CROSLEY SAYS HE PREFERS METAL RADIO TUBES

Although the Crosley Radio Corporation manufactures glass-tube radios as well as metal-tube sets and will continue to do so, Powel Crosley, Jr., President, Crosley Radio Corporation, has declared emphatically in favor of metal tubes as being superior in many respects to glass tubes.

"When metal tubes were first introduced early in the year, there was great skepticism on the part of dealers as to their performance, and there was considerable doubt in the minds of manufacturers whether metal tubes could be supplied in sufficient quantity to meet a large demand", Mr. Crosley said. "Both questions have been answered very emphatically in the affirmative. Metal tubes have proved to be outstanding in quality and performance - more efficient design of the tubes and radio sets themselves - greater durability - and in the possibility of much greater precision and performance in manufacturing. As to supply, abundant metal tubes are now available."

X X X X X X X X

INDUSTRY NOTES

Of interest to radio manufacturers, who are watching the growing farm market for radio receivers, should be the letter of Morris L. Cooke, Rural Electrification Administrator, to Senator George W. Norris, of Nebraska.

Administrator Cooke estimates that within ten years 50 per cent of all rural homes will be electrified. At present only 10.9 per cent of American farms get central electric station current.

Charles A. Wakeman, sports commentator and announcer for Josephine Gibson's "Hostess Counsel" program, has been awarded the H. P. Davis trophy, given each year to Pittsburgh's best announcer. Wakeman is a member of the announcing staff of WJAS, CBS's affiliated station in Pittsburgh, Pa.

A hearing will be held December 2 in San Francisco by the National Labor Relations Regional Board on the complaint that the Mackay Radio and Telegraph Company discharged five operators of long standing with the company because of their activity with the American Radio Telegraphists Association.

The Ford Motor Company becomes the largest individual user of radio network facilities when it begins a new series of weekly programs over a CBS coast-to-coast netowkr, beginning Sunday, December 1, from 2:30 to 3 P.M. EST. The program, featuring Jose Manzanares and his South American Orchestra, advertises the Lincoln-Zephyr auto.

Misrepresentation in the sale of radios, refrigerators, oil burners for furnaces and air conditioners, is alleged in a complaint issued by the Federal Trade Commission against T. L. Loveland and J. L. Records, of Iowa City, Iowa, trading under the names of Commercial Manufacturing Company and Brenard Manufacturing Company.

Chairman Anning S. Prall of the Federal Communications Commission will be the principal speaker at a radio luncheon of the Downtown Athletic Club from which WOR will broadcast Thursday, December 5, from 1 to 1:30 P.M.

On December 2 the Pompeian Company will begin a 3 days-a-week radio compaign to push its new and improved line of Pompeian cosmetics on a coast-to-coast network of the Columbia Broadcasting System. Pompeian has not used radio since the winter of '31-'32 which time it was an exclusive CBS advertiser.

In their annual report to the Minister of Telegraphs for the year 1934 the members of the New Zealand Broadcasting Board refer to the marked progress which has been made by broadcasting as witnessed by an increase of 31 per cent in the number of radio receiving licenses. They state that the most important events of the year have been the opening of a modern transmitter at Henderson to serve the Auckland district and the erection of modern studios in Auckland City.

X X X X X X X X X

APPLICATIONS OF 33 DIRECTORS SET FOR HEARING BY FCC

Thirty-three officers of directors of more than one carrier under Section 212 of the Communications Act of 1934 have been granted a hearing upon their request by the Federal Communications Commission. They are:

H. D. Pillsbury, N. R. Powley, C. E. Fleager, C. S. Casassa, F. J. Reagan, M. R Sullivan, I. F. Dix, E. D. Wise, Alfred Sutro, W. G. Kleinschmidt, G. W. Anderson, E. DeBow, G. L. Larson, C. P. Morrill, E. L. Breene, C. E. Rogers, R. M. Burley, T. H. Griffith, F. Scholl, R. E. Hambrook, S. L. King, C. F. Cole, G. H. Senger, Lloyd B. Wilson, Phillip O. Coffin, John C. Koons, Ralph A. Van Orsdel, Frank S. Evans, Marshal D. Sodam, Walter B. Clarkson, Thomas B. Clarkson, John F. Slaven and Franklin H. Kenworthy.

Five others have been ordered to divest themselves of one of their offices or directorship to comply with the law. They have 30 days to ask for a hearing, however. They are:

John Leonard Merrill, Samuel Gilman Ordway, Wolcott H. Pitkin, Lewis Jefferson Proctor and Joseph Anthony Rodegeld.

X X X X X X X X

INDIAN RULER PLANS TO BUY 20,000 RADIOS FOR SUBJECTS

His Exalted Highness the Nizam of Hyderabad plans to celebrate the twenty-fifth year of his reign in modern style next February by enlisting radio, Syad Mahboob Ali, Wireless Director for the Hyderabad government, revealed this week in an interview in New York City.

Twenty thousand villages in the Indian state will be given radio sets by the ruler, and four modern transmitting stations will be constructed meanwhile so that the 15,000,000 subjects can listen to special broadcasts during the Silver Jubilee. The programs will be in English, Hindustani, Telgu, Marahti, and Canarese, all native dialects.

The Indian ruler is reputedly one of the wealthiest men in the world and is perfectly able to make the wholesale purchases of radio equipment. Syad Ali, who is making a tour of the world studying broadcasting methods, has about $500,000 to purchase the apparatus for the four transmitting stations. It is presumed he will buy the receivers later.

Having inspected the most modern broadcasting centers of Europe, Syad Ali believes the United States far ahead in the radio field.

"There is no doubt that America is far in advance in the technics of broadcasting of the many other centers I have visited in Europe", he said.

After leaving this country he will inspect broadcasting equipment in Japan.

The broadcasts in Hyderabad will be patterned after those in this country, he said, and will include music, talks on health, weather reports, and news dispatches. They will be broadcast simultaneously in the different native languages, however, and there will be no advertising.

X X X X X X X X

Kathleen Wells, a featured radio soprano, was injured fatally November 17 in an auto accident in Jersey City. About six years ago billed as "Ima Whom, the Mystery Girl", she made her radio debut with station WHOM, later joined WOR, Newark, and then became a featured entertainer with NBC, appearing on the Show Boat, Fibber McGee and Molly and the Jack Pearl programs. among others.

X X X X X X X X X X X

EXAMINER RECOMMENDS HIGHER POWER FOR STATION WBNX

Following the lead of the FCC Engineering Department, which has proposed widespread increases in broadcasting power, Examiner John P. Bramhall has recommended to the Federal Communications Commission that WBNX, New York City, be permitted to raise its power from 250 watts to 1 kilowatt. The Standard Cahill Co. is the licensee.

At the same time the Examiner recommended denial of the application of WEED, Rocky Mount, N. C., for transfer from 1420 to 1350 kc. upon which WBNX operates, and for an increase in power from 100 to 250 watts. WBNX shares time with WAWZ.

The higher power for the New York station was made despite the fact that KWK, St. Louis, which operates on the same wave, is only 885 miles away while the recommended nighttime separation of stations on the same channel is 1,000 miles. The Examiner consequently proposed a new antenna which will restrict the radiation toward St. Louis at night.

"The interests of KWK may be adversely affected by reason of interference if the applicant were granted additional power with its present antenna", Bramhall stated in his report.

No great interference is forecase for WFBL, Syracuse, N. Y., which operates on 1360 kc., 202 miles away, or for WDRC, Hartford, Conn., which broadcasts on 1330 kc. 100 miles away.

Besides WEED, Station WMBG, Richmond, Va., is seeking a transfer to 1350 kc.

X X X X X X X X

HOW THE EXPLORER II WAS EQUIPPED FOR RADIO TRANSMISSION

Since the Explorer II established a record for continual two-way radio transmission, while soaring into new heights in the stratosphere, interest has arisen on the manner in which the gondola was radio-equipped. The Radio Corporation of America offers this explanation:

The Explorer II was equipped with a specially designed RCA transmitter and receiver, each constructed with a view to giving the best performance with a minimum of size and weight. The transmitter was a 7-tube type with a capacity of eight watts. The set was crystal controlled, with a dual equipment of two crystals slightly staggered, enabling stable operation at 13046 and 13055 kc. The station call letters were W1OXFH.

Power was obtained from 36 A and B dry batteries which served both for the sending and receiving apparatus. The battery compartment was 15" x 14" x 8" deep. On account of the shifting position of the men in the gondola, who were obliged to operate the scientific instruments while broadcasting at the same time, an audio automatic gain control was installed, which kept the modulation level close to 100 percent regardless of the position of the broadcaster.

The transmitter as well as the receiver was constructed largely of dow metal. Their combined weight was approximately 60 pounds.

The receiver was a six tube superheterodyne, designed to cover a frequency band of 6000 to 6500 kc., all ground transmitters having been adjusted to operate within these limits. The dimensions of the receiver were 7" x 9" x 9½". It was a single control device, and earphones instead of loudspeaker were used; however, the signals were so loud that, with the exception of one period during the flight, it was possible for the observers to copy all signals with headphones hanging loose from the receiver.

The transmitting antenna was a quarter-wave radiator suspended from the lower catenary band of the balloon, with a pulley arrangement to draw it taut. It was fedby a two-wire transmission line from the transmitter. The receiving antenna was of the ordinary airplane type, dropped out from the bottom of the gondola about 70 feet. The entering insulator was of soft rubber so that air pressure within the gondola would tend to seal the entrance.

In order to insure that the dry batteries used both in sending and receiving would be absolutely fresh at the start of the flight, these were kept in cold storage until just a short time before the take-off. The RCA Radiotron transmitter and receiver vacuum tubes were energized three-quarters of an hour before the balloon left the ground, so that a constant temperature and hence maximum stable operation would be reached.

X X X X X X X X

PRESS-RADIO RIVALRY REPORTED TENSE IN HOLLAND

Rivalry between newspapers and radio over their respective rights to the distribution of news has reached a tense point in Holland, despite the fact that commercial broadcast advertising does not exist, according to S. L. F. Vaz Dias of Amsterdam, son of the director of Holland's principal press services, Editor and Publisher reports. Mr. Vaz Dias is making a study of broadcasting in this country, as well as other news and publishing problems.

"News for broadcasts in Holland is furnished by the Algemeen Nederlandsch Persbureau, or A.N.P., which is sometimes compared to the Associated Press of this country. But except for news of 'transcendent importance', the broadcasts are confined to two 15-minute periods late in the evening. And on brief flashes of important news it is the practice to delay the radio announcement a few minutes to give the newspapers opportunity to post bulletins or to get extras under way. Broadcasters may get their first information through such newspaper channels.

"Governmental restrictions on the use of news except from most responsible sources have thus far operated to prevent any news-gathering by the broadcast associations themselves. Such a project has been discussed by the broadcasters, however, and remains a possibility in case of too great dissatisfaction with the amount of news released for broadcast.

"Advertising competition is a sore spot in relations between newspapers and radio, as in this country, but the broadcasters' advertising is carried in their weekly program magazines, not over the air. Some of these program weeklies have waxed prosperous, and in the view of the newspapermen have taken linage away from the dailies. It is only recently that some newspapers have undertaken to publish the radio programs, taking their material from the radio weeklies, and lengthy legal controversy is expected over the right of the newspapers to do this.

"The broadcast stations are controlled by associations representing important factions of public opinion, and maintain themselves by contributions solicited over the air. While there are no advertising announcements to break into the programs, the propaganda talk supporting the aims of the associations is some times equally annoying to listeners, according to Mr. Vaz Dias."

X X X X X X X X

TELEVISION STATION BEING INSTALLED ON EIFFEL TOWER

A special station for television broadcasting is to be installed on Paris' Eiffel Tower with a wavelength and a scope that will allow the public to benefit from it to a greater extent than has been possible with the station that is there now and from which television broadcasts have taken place once a week since April, according to the U. S. Bureau of Foreign and Domestic Commerce.

The new station is to broadcast on a wavelength of seven meters with 180 scanning lines for each image. Its power will be 10 kilowatts.

Although the new station will not be ready for another six months, M. Mandel, Minister of Postes, Telegraphes et Telephones, has decided to install a provisional station which was to have started broadcasting last week.

X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF NOVEMBER 22, 1935

No. 879

PAYNE GIVES GENERAL OUTLINE OF PLAN FOR BETTER PROGRAMS

A high standard for radio programs to be required of applicants for broadcasting facilities and a definite allocation of time on the air for broadcasting and cultural programs will ultimately be demanded by Federal Communications Commissioner George Henry Payne.

Although still in an indefinite form, Payne's general objective was outlined in an exclusive interview with the Heinl News Service. Commissioner Payne does not plan to announce it in definite form until, as he explains it, he "completes the presentation of his case".

Three well-aimed blasts at certain aspects of the present system of commercial broadcasting have already stirred up a tempest not only among broadcasters and members of the Federal Communications Commission but among educators and religious and labor leaders as well.

These were loosed in speeches made at Harvard University, at Cornell University and at Columbia University. Payne said he would continue his attacks, with additional evidence, in the near future before offering his suggestions for a remedy.

"We now require certain standards of applicants for broadcasting facilities as to technical and financial qualifications", he said, "but we do nothing about the most important question - What are they going to do with these public facilities after they get them?

"All this talk of censorship of programs is just a bugaboo. There is a great difference between censorship of the press and censorship of radio. One is privately owned, while the other is a utilization of public property.

"Moreover, political censorship - which nobody wants - is one thing, but objectionable programs and advertising is another. Even the newspapers are prohibited from printing lottery numbers and from carrying fraudulent medical advertisements."

The second major plank of Payne's platform is to enlist the voluntary cooperation of broadcasters in allocating a fixed number of hours on broadcasting stations for public programs along educational and cultural lines.

"This would be just giving back to the public part of something which already belongs to it", he explained.

"I think that a State Committee should be set up to decide the character of these programs and to allocate the time. Thus the broadcasters would be relieved of the responsibility of selection while demonstrating their good will by making available the facilities."

The Federal Communications Commission meanwhile is going forward with its long-delayed proposal to set up a Radio-Education Committee to solve the problem of how to satisfy the growing demands of educators and semi-public organizations.

Invitations have been sent to 40 educators and broadcasters over the country, but the slowness with which they are being answered gives credance to the report that the educators are wary of lending their names to the project because it is to be financed in part by broadcasters and in part by the National Advisory Council On Radio in Education.

The whole scheme is expected to come in for some attacks at the approaching session of Congress because of the delay of the FCC in setting it up.

Last January the Commission submitted a report to Congress expressing the view that no fixed portion of the broadcasting facilities should be set aside for educational and religious interests as proposed. The Commission agreed, however, to give the matter further study.

A conference was held in May, and it was decided to set up a Radio-Education Committee with Dr. John W. Studebaker, Director of the U. S. Office of Education, as Chairman. This proposal had been almost forgotten, however, until Payne began arousing so much praise from leading educators for his attacks on commercial aspects of broadcasting. Then it was suddenly announced that invitations were being issued for membership on the Committee.

That Payne's one-man campaign is not to be dismissed lightly can be seen in the hundreds of laudatory comments that are pouring into his office from all sections of the country. Not only educators, but churchmen and labor spokesmen as well, are writing to praise his stand for a revolution in radio programs.

Archbishop Michael J. Curley, of Baltimore, Bishop William T. Manninf, of New York, and Rabbi Stephen S. Wise, of New York, are the latest to add their favorable comments.

Commissioner Payne points out that he is no more in favor of government ownership or operation of broadcasting stations than are other members of the Commission or the broadcasters themselves.

"But if the broadcasters don't clean their own house pretty shortly", he said, "they are going to face a public demand for government control that will not be easily put down if it can be done at all."

X X X X X X X X

COAXIAL CABLE HEARING WILL BE VERY BROAD IN ITS SCOPE

The Federal Communications Commission has announced its second hearing on the coaxial cable controversy will be wide open to all aspects of the issue, commercial as well as experimental. To insure every one a chance to participate, the hearing has been divided into two parts, the first to consider experimental phases and the second commercial aspects.

The coaxial cable, which is believed to hold the key to successful commercial television, is now controlled by the American Telephone & Telegraph Company. Last July the A. T. & T. was authorized to lay a cable for experimental purposes between New York and Philadelphia with the provision that the results of its experiments be made available to other communications companies.

On October 28 the telephone company filed a petition asking that the matter be reopened after previously announcing that the experiment would be shelved indefinitely. The Commission agreed and set the hearing for November 25. It now announces that the hearing will be resumed early in January.

Broadcasters, as well as rival communications companies, will have an opportunity to participate in the hearing as a result of the FCC policy. In announcing its plan, the FCC said there had been some misunderstanding regarding the hearing, which will be before the full Commission. It explained:

"It is the intention of the Commission upon the rehearing to enter upon the consideration of all phases of the subject, including the commercial aspects as well as the experimental aspects. In order that proper time may be afforded to any parties who may have misunderstood the scope of the Commission's order of October 30, the hearing beginning November 25 will be confined so far as practicable, to the experimental phases and at the conclusion of the testimony on the experimental phases, the hearing will be recessed until January 6, 1936, at which time the commercial and all other aspects will be developed through the introduction of testimony and argument."

X X X X X X X X X X

RADIO HELPS REDUCE UNEMPLOYMENT IN SWEDEN, CONSUL REPORTS

Since the Government Ministry of Labor began broadcasting weekly reports of jobs available over the country, Sweden has experienced a dwindling of unemployment, Acting Commercial Attache Osborn S. Watson, Stockholdm, has reported to the Commerce Dept.

Only three-fifths of 1 per cent of the total population was unemployed in August, this year, and there was a shortage of skilled labor in many lines. The weekly broadcasts are credited with helping reduce the unemployment.

X X X X X X X X

PUBLIC HEARING SET IN PROPOSED ST. LOUIS AUTO RADIO BAN

Aroused motorists, broadcasters, and radio manufacturers and dealers will appear in outspoken opposition to the proposed ban on radio receivers in automobiles before the Public Safety Committee of the St. Louis Board of Aldermen at 10 A.M., Nov. 25.

Bond Geddes, Executive Vice-President of the Radio Manufacturers' Association will be one of the principal witnesses against the ordinance proposed by Maj. A. J. Lambert, St. Louis Police Commissioner, in connection with a traffic safety campaign.

Organized and individual motorists, representatives of the three St. Louis broadcasting stations, and radio dealers and jobbers will attend the hearing armed with evidence and testimonials to prove that automobile radios do not constitute a traffic hazard but rather induce the motorist to drive more slowly in order to listen to programs.

The proposed ordinance would impose a fine of from $5 to $500 on anyone who operated a motor vehicle on the public streets with a radio receiver installed.

About 100,000 auto radios in Missouri would be threatened if the ordinance is adopted by the Board of Aldermen. Geddes points out that some 4,000,000 auto radios have been sold in the last six years, and not a single accident has been attributed to their presence.

X X X X X X X X

BUENOS AIRES STOCK EXCHANGE TO BROADCAST INFORMATION

An increased demand for radio receiving sets in Argentina is likely to develop as a result of the recent establishment by the Buenos Aires Stock Exchange of a daily broadcasting service to supplement its daily bulletin, according to advices to the U.S. Commerce Department. The broadcasting will be done from the floor of the Stock Exchange through an exclusive agreement with one of the most important broadcasting stations in the metropolis.

It is expected that the increased demand for radios as a result of the inauguration of the new service will be especially apparent in the rural districts, the report stated.

United States exports of radio receiving sets to Argentina during the last five years have averaged 27,356 sets annually, Commerce Department statistics show. The peak trade was recorded in 1931 with a total of 53,633 sets; in 1933 exports had declined to 24,077 sets, while the 1934 total amounted to only 12,000 units.

X X X X X X X X

LIEUT.-COMMDR. T.A.M. CRAVEN NAMED CHIEF ENGINEER OF FCC

The Federal Communications Commission has selected a former U. S. Navy radio expert to succeed Dr. C. B. Jolliffe as its Chief Engineer. He is Lieut. Commdr. T.A.M. Craven, widely known in the radio industry as well as in Naval circles.

His appointment, announced November 21, came as a surprise as Lieut. E. K. Jett, Assistant Chief Engineer who had been Acting Chief since Dr. Jolliffe left the Commission on November 15, was generally expected to get the post.

Commander Craven was chosen, however, because of his broader experience in the broadcasting field. He was persuaded to leave his private practice at a sacrifice in income, it is understood, as the FCC Chief Engineer's job pays $9,000.

Dr. Jolliffe left the FCC to become Chief Engineer in charge of all frequency allocations for the Radio Corporation of America.

Lieutenant Jett remains as Assistant Chief Engineer in charge of telegraph matters, both wire and wireless, with A. D. Ring continued as Assistant Chief Engineer in charge of broadcasting. A third engineering assistant, embracing the telephone field, has been vacant for several months, due to the resignation of William G. H. Finch, who has returned to his consulting practice in New York. That vacancy will presumably be filled upon Commander Craven's recommendation in view of the fact that the Chief Engineer administers the engineering problems of all three FCC divisions.

Commander Craven is 43 and a native of Philadelphia. He was graduated from the United States Naval Academy in 1913 and for 17 years thereafter served in various radio capacities with the Navy. He practically "grew up" with wireless, from its early maritime and transoceanic development to its broadcasting phases. He has been Fleet Radio Officer of the United States Fleet and during the war was in charge of all radio communications between the United States and Europe and with our ships at sea. During this period he served under Franklin D. Roosevelt, then Assistant Secretary of the Navy, who had charge of radio among other naval operations. In 1928-9 he was loaned by the Navy Department to the old Federal Radio Commission to administer communications other than broadcasting. For a time he was Acting Chief Engineer of the Radio Commission.

He has served as United States delegate to several international communications conferences, and he has made notable contributions to radio developments in his writings. Among other things he has collaborated with Capt. S. C. Hooper, of the Office of Naval Operations, in writing "Robinson's Manual of Radio Telegraphy and Radio Telephony".

X X X X X X X X X

RCA AND CBS PREPARE ANSWERS TO VOLUMINOUS FCC QUERY

While the State Department ignored the incident and even Italy appeared unexcited over it, the Federal Communications Commission is relentlessly pursuing its inquiry into the censorship of Baron Aloisi's speech by the British Post Office Department.

The Italian diplomat early in October tried to broadcast an interview with a newspaper correspondent from Geneva to the United States via British short-wave stations. At the last minute Great Britain refused to make available its facilities. American listeners and the Columbia Broadcasting System and the RCA short-wave pick-up station were left waiting. The speech was subsequently broadcast from Rome and carried over the CBS network.

At first the Commission announced it would ignore the incident as being outside its jurisdiction. Then, without explanation, it adopted a resolution calling for the facts in the case so far as they relate to American communications companies.

An involved and lengthy questionnaire was prepared and submitted to the American Telephone & Telegraph Company, the Radio Corporation of America, and the Columbia Broadcasting System. The questionnaire goes into infinite detail in asking for information as to arrangements for the broadcast both from Geneva and Rome. Replies were requested by November 30.

Meanwhile, the Associated Press reported from London that the British Broadcasting Corporation this week went blithely along its course and refused to allow Marconi, called "The Father of Radio" to speak over its facilities, presumably for the same reason that Aloisi was barred.

X X X X X X X X X X

RADIO HELD GROWING LIKE JACK-THE-GIANT-KILLER'S BEANSTALK

When the new year rolls around, approximately 22,500,000 homes in the United States will be equipped with radios - a record that will place the child prodigy of modern luxuries far ahead of older contributions to this mechanical age, such as the telephone and the automobile.

Some amazing figures have been compiled by Seir Diefender, of the Columbia Broadcasting System's Sales Department, for a paper on "Just How Big is Radio?", read recently at the AFA convention in Boston.

Declaring that the task of measuring radio at any one moment was like estimating the size of Jack-the-Gian-Killer's beanstalk, he said:

"This very minute ten more radios are being sold. In this hour 600 more sets will be sold - 15,000 more sets today - 90,000 sets this week - 5,000,000 sets in the 12 months of 1935."

More than 69 per cent of all homes in the United States owned radios at the beginning of this year, he pointed out, or a total of 21,500,000. Trade reports already show there will be at least 1,000,000 new radio homes by January 1, next, in addition to replacements, secondary sets, auto receivers, et cetera.

"There are today more than twice as many radio homes as telephone homes", he said. "There are 4,500,000 more radios than automobiles. There are now over 2,500,000 radios in automobiles - 2,000,000 of which have been bought in the last two years."

The larger cities and the higher income groups have the largest proportion of radios. Some 93.4 per cent of all families in cities of 250,000 population or over own sets, while 9 out of 10 families with incomes of $10,000 and over own receivers. Eighty-five per cent of all families with incomes from $5,000 to $10,000 own sets. Even 50 per cent of families with incomes under $1,000 own radios.

Explaining that 68 of the 100 largest national advertisers are using network facilities, Diefendorf listed the largest network sponsors as follows:

Fort Motor	94 stations (CBS)
Liggett-Myers	91 stations (CBS)
R. J. Reynolds	87 stations (CBS)
Packard Motor Co.	86 stations (CBS)
Campbell Soup Co.	76 stations (CBS)
Firestone Tire & Rubber Co.	63 stations (NBC)
General Motors	63 stations (NBC)
Texas Co.	61 stations (NBC)
Lever Bros.	61 stations (CBS)
Maxwell House	61 stations (NBC)
Gulf Refining Co.	60 stations (CBS)
Pebeco	57 stations (CBS)
E. R. Squibb	57 stations (CBS)
Standard Brands	57 stations (NBC)

X X X X X X X X

WARNER BROS. MAY QUIT ASCAP

Warner Bros. Pictures, Inc., plans to remove its four music publishing concerns from membership in the American Society of Composers, Authors and Publishers because of dissatisfaction with the amount of royalties received, spokesmen from both organizations indicate.

If the break takes place, it will create the first major schism in the field of popular music publishing since the ASCAP was formed under the guidance of Victor Herbert twenty-one years ago.

"We don't know definitely whether they will break away but the indications are that they will not renew their membership which expires December 31", E. C. Mills, General Manager of the ASCAP said. "They feel we are licensing the use of their music too cheaply to the broadcasting stations and have indicated the withdrawal of their catalogue so that they may issue it themselves at substantially higher rates to the broadcasting stations."

There was no animus on either side in the withdrawal, Mr. Mills said. Warner interests are responsible for about twenty-five per cent of the popular music output.

"Their songs are very valuable", he said, "and this is simply a business transaction. They feel they want more money. We don't know definitely though. They have fulfilled their obligations to us and if it is their judgment they can do better alone we will just have to let them take their own action

Herman Starr, Treasurer of Warner Brothers, said that his concern had expressed some differences with the ASCAP in recent Board meetings and "unless they can do better, we feel that we should withdraw."

"There has been no change in that situation", he added, "and I don't see any other way out of it. The chances are that we will withdraw and we will know definitely within ten days."

X X X X X X X X

The Securities and Exchange Commission announces that a hearing will be held at 10 A.M., November 26th, for the American Radio & Television Corp., of New York City, to "show cause why the effectiveness of a registration statement filed October 29 should not be suspended because the Commission finds reasonable grounds for believing that the facing sheet, nine items, three exhibits, and the prospectus contain untrue statements or omit to state certain required material facts."

X X X X X X X

BERRY DENIES PLAN TO REVIVE NRA AT DECEMBER MEETING

Broadcasters who are watching with interest the efforts of George L. Berry, coordinator of industrial cooperation, to enlist all major industries in a conference scheduled for December 9 in Washington will be interested to learn that the Government has no intention of reviving the NRA.

Berry, himself, is the source of the promise. In an address before the Washington Society of Engineers November 20 he charged that the purpose of the meeting had been "intentionally distorted".

"I am in no way and no form whatsoever attempting to revive the NRA", he said. "In the letters I have received from thousands of substantial business men and labor leaders, I find a fairly general agreement that no further 'emergency' legislation is desired.

"I do find, however, a widespread belief that the fundamental policies of maintaining fair competitive and labor standards are sound and desirable. Responses concurring in this view have come from heads of great corporations with far-flung interests, and little business men who operate single factories and other enterprises in small towns from which the trend of opinion of the masses may be discerned."

X X X X X X X X

MOVE TO SELL STOCK IN BIG RADIO STATIONS SEEN

What Variety describes as "part of an elaborate campaign by a firm of New York stockbrokers, W. E. Hutton & Co., to make the investing public part owner of some of the major and better paying stations throughout the country" is soon to be launched. "20% of WJR, Inc., stock will be placed on sale through Hutton the first week in December. The asking price per share of the WJR block will be $25.

"Deal with WJR comes on the heels of a similar one made by the same brokerage house with WCAO, Baltimore", the article continues. "Hutton's acquisition from WCAO gave him 45% of the station's stock, or what is reported to be around 4,500 shares. When Hutton obtained the holdings he suggested that the stock, which involved 10,280 shares of WCAO existing, be split eight for one. Following assent to this proposal by WCAO's stockholders, the stock was sold at $15 a share. Last week it was selling at $26 a share."

X X X X X X X X X X

ANDREA DECISION HELD AID TO RADIO EXPORTERS

Radio export manufacturers in general will benefit as a result of the decision of the United States Circuit Court of Appeals upholding the licensees, F.A.D. Andrea, President of Frank A. D. Andrea, Inc., radio manufacturers, defendants in a suit instituted by the Radio Corporation of America and the American Telephone and Telegraph Company, he declared last week.

The court ruled that the manufacturer of a radio circuit for export was not infringing upon the patents held by the manufacturers of a similar radio circuit, as the sets were not connected until sent outside the country. Mr. Andrea hailed the court's ruling as a victory for the fifty other export manufacturers who use the same circuit and have been paying the plaintiffs royalties estimated at millions of dollars.

The decision reversed a preliminary injunction granted to the plaintiffs by Federal Judge Robert A. Inch in Brooklyn several months ago.

X X X X X X X X X X

APPLICATIONS GRANTED BY FCC BROADCAST DIVISION

WHN, Marcus Loew Booking Agency, New York City, Mod. of CP to make further changes in equipment and extend commencement date to this date and completion date to 120 days hereafter; WFBM, Indianapolis Power & Light Co., Indianapolis, Ind., license to cover CP, 1230 kc., 1 KW, unltd. time; WOR, Bamberger Brdcstg Service, Inc., Newark, N. J., license to cover CP (auxiliary transmitter); 710 kc., 5 KW, unltd.; KIIV, Charles L. Jaren, Portable (Fergus Falls, Minn)., Mod. of license to add freqs. 2060, 2790 kc.; also granted renewal of license in accordance with modification; WICC, The Southern Conn. Brdcstg. Corp., Bridgeport, Conn; authority to install new automatic frequency control equipment; WJAS, Pittsburgh Radio Supply House, Pittsburgh, Pa., authority to determine operating power by direct measurement of antenna input; WAIM, Wilton E. Hall, Anderson, S. C., renewal of license for the regular period, 1200 kc., 100 w., unlimited; same for WALR, WALR Brdcstg Corp., Zanesville, Ohio, except 1210 kc.; same for WNEL, Juan Piza, San Juan, P. R., except 1290 kc., 500 w., unltd.; same for WBBZ, Estate of Charles Lewis Carrell, Howard Johnson representative, Ponca City, Okla., 1200 kc., 100 watts.

WFMD, The Monocacy Brdcstg. Co., Frederick, Md., Mod. of CP to make changes in equpt; approval of transmitter site, make changes in antenna; also Mod. of CP to extend completion date to 12/26/35; Mutual Broadcasting System, Inc., Chicago, Ill., authority for 6 months from Dec. 1, 1935, to exchange programs with Station CKLW, Windsor, Canada, and other Canadian broadcast stations through the facilities of the American Tel & Tel. Co.

X X X X X X X X

WEATHER MAPS TO BE FURNISHED SHIPS AT SEA VIA FACSIMILE

The United States Weather Bureau will furnish weather maps of the Atlantic Ocean to ships at sea via facsimile radio transmission as soon as the Radio Corporation of America completes its installation.

The achievement of a regular facsimile service to ships is a culmination of several years of development by the RCA laboratories, including many experimental tests at sea.

The development of terminal apparatus has been completed, and equipment will be placed on four chosen vessels as they make their next call at the port of New York. The ships are of American, German, Norwegian and Spanish registry. This step toward the extension of the Radiomarine Corporation's service to vessels of other nations is natural, since the American company is first in the world in this field, to have developed radio facsimile for marine service.

Short waves will be employed for transmission, as in the present commercial transoceanic service of picture transmission. That part of the radio spectrum is best suited to long distance transmission.

The Weather Bureau maps will be sent to the ships on two different frequencies, one adapted to transmission up to about 1500 miles, and the other suited to transmission over greater distances. The ship operators will thus be able to select the frequency of most efficient reception for their position. Although the service will at first consist largely of weather maps, the facsimile apparatus will also be tested in the reception of type matter and pictures. It is expected that further development will revolutionize methods of communicating news to ships.

X X X X X X X X X

CHINA HAVING HARD TIME GETTING RADIO SETS REGISTERED

The Ministry of Communications of China, who has been trying without much success to get radio set owners to register so that an accurate count of receivers can be made, has enlisted the aid of foreigners residing in the International Settlement, according to a report from U. S. Trade Commissioner A. Viola Smith.

"There are upward of 50 broadcasting stations in the Shanghai area", she writes, "but no records are available as to the districts of concentration of receiving sets, though they are assumed to be in the residential districts."

Registration upon the part of foreigners, the Trade Commissioner points out, is purely voluntary, but so far 15 per cent of the 20,000 registering have been non-natives of China.

X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF NOVEMBER 26, 1935.

No. 880

GERMAN RADIO INDUSTRY IS REPORTED TO BE LOSING GROUND

Over-production and declining demand have notably affected the German radio industry in recent months, according to a report from the American consulate-general, Berlin, made public by the Commerce Department. One prominent manufacturer has become insolvent and it is rumored locally that other large concerns are in difficulties.

Expansion of the radio industry in Germany has been marked in the last four years. During 1934-35, production of receiving sets amounted to approximately 2,000,000 compared with less than one million in 1931-32. During the four year period between 1931-32 and 1934-35, the number of licensed radio owners increased from 4,100,000 to 6,500,000, the report said.

It is estimated that at the close of the last radio year (July 31), total unsold radio stocks amounted to between 500,000 and 600,000 sets, which means that nearly one-fifth of the annual production remained unsold. The stocks on hand at the end of the last radio season, it is pointed out, were larger than ever before.

It is difficult to determine the cause of the present stagnation in the radio trade, according to the Consulate-General. A saturation of the market is out of the question as almost two-thirds of the homes in Germany are still without radio receiving sets of any kind. It is held probable that the competition of automobiles and the increasing popularity of touring have played a role in directing German purchases in other directions.

X X X X X X X X X X

GERALD GROSS MENTIONED FOR VACANCY IN ENGINEERING OFFICE

The vacancy in the Engineering Division of the Federal Communications Commission is expected to be filled shortly upon recommendation of Lieut. Commdr. T.A.M. Craven, newly-appointed Chief Engineer.

The name of Gerald Gross, one of the engineers in the division, has been mentioned as in line for promotion, but an official of the FCC stated that the job probably will be given to a specialist in the telephone field as the assistant will aid in the A. T. & T. inquiry. The vacancy was created recently by the resignation of William G. H. Finch.

X X X X X X X X

TRANSRADIO HEAD SEES FIERCE RADIO-PRESS SCRAP AHEAD

The scrap between the radio andthe press that has been carried on spasmodically for the last two years is only an indication of what is ahead, Robert Moore, President of Transradio Press Service, told the Intercollegiate Newspaper Association at a convention in Pittsburgh last week.

"The forces of radio", he said, "are moving to the attack for the first time. We are about to witness a terrible slaughter - the utter demolishment of the daily press as it now exists.

"We shall in the future, after the final battle has been fought, see that miracle of news dissemination - the delivery of news in printed form through the very air itself! We shall see the development of facsimile on a gigantic scale, with a receiving set in every home.

"It is for this splendid victory that we man of Transradio are fighting. We are hurling ourselves against the old order of the publishing industry, leveling its out-moded printing plants, to clear the way for a truly modern news service to the public, geared for the breathless speed of the 20th century.

"We cannot afford to be sentimental about our former affiliations nor can you, as the editors of tomorrow's newspapers, permit yourselves to be strapped to obsolete machinery. The struggle between the press and radio is a struggle between the Old and the New. The same sort of fight has been waged between railroads and air transport. These struggles are a necessary process in the advancement of civilization.

"Because progress must be served, this struggle between the publishing and broadcasting industries must be tolerated for the ultimate improvement that it will bring. Radio cannot and will not be strangled. The daily newspapers must modify their structures and take the inevitable losses in advertising revenue which radio has caused them to suffer."

X X X X X X X X

RCA SECRETLY PREPARES NEW TELEVISION APPARATUS

Working in secrecy, engineers of the Radio Corporation of America and National Broadcasting Company are reported to be dismantling the old television equipment atop the Empire State Building preparatory to installing modern apparatus, according to the New York Times.

"It is expected that the new installation will be completed in January, and that after preliminary engineering experiments, the metropolitan area will be used as an outdoor laboratory, probably about April 1," the Times said November 24.

"The plan is understood to provide for the manufacture of 500 television receivers of four different designs. They will not be sold publicly but will be distributed to research outposts and homes of observers to facilitate a complete check on the behavior of the images. After three or four months of observation the experts hope to be able to decide which type of receiver is most practical, also what improvements are necessary in the receivers and transmitters to make television a utility in the home. Then, as a representative of RCA Victor explained, the 'bugs' will be ironed out of the system and the way will be cleared to offer a fool-proof receiver to the public, possibly in time for the Christmas trade in 1936. It is expected that other manufacturers will do likewise.

"The images will be hurled into space by a twelve or fifteen kilowatt transmitter operating on the six-meter wave, which will carry both the picture and associated sound across a radius of thirty miles.

"The pictures, approximately 9 by 10 inches, are described as 'very clear', especially since a new fluorescent material has been discovered for the receiving 'screen' on the flat end of the cathode ray tube, or kinescope, as it is known. The pictures, under the influence of this new substance, are said to be greatly improved and are cream colored, although eventually the engineers expect that they will be black and white.

"One of the main problems faced in launching television is said to be servicing of the instruments, which will be more complicated than a standard radio set. During the outdoor tests next Spring thorough analysis will be made of the servicing riddle.

"The prices of the receivers are expected to range from $250 to $500. If a larger picture is desired the cost increases; however, those working on the New York project believe from their research experiments that a nine-by-ten picture can be viewed from a distance of three feet in the home and that it will have considerable entertainment value because its clarity is said to compare favorably with the motion picture.

"A meeting was held during the past week by representatives of the various groups organized to develop the plan to give New York television in the springtime. It is reported that plans have gone ahead so far that a 'dead line' has been established, so if the engineers make any further advances the present work will no longer be delayed to take advantage of them. They will be incorporated in later instruments."

X X X X X X X X

11/26/35

JEWETT MINIMIZES IMPORTANCE OF COAXIAL CABLE FOR TELEVISION

Proposed television experiments by the Radio Corporation of America over the coaxial cable which the American Telephone & Telegraph Company wants to build between New York and Philadelphia were called relatively unimportant by Dr. Frank B. Jewett, President of Bell Laboratories, at a hearing before the Federal Communications Commission November 25.

"It is absurd to place so much emphasis on this feature of the cable", he said, "when it will be used chiefly for experiments in telephone communication."

The hearing, the first phase of a reopening of the case, was concluded in one day, but it will be resumed on January 6 with an inquiry into the commercial aspects of the coaxial cable.

Albert Stephan, an FCC counsel, indicated by his questioning that the Commission believes another order should be issued requiring the A. T. & T. to make the cable available to other radio manufacturers besides RCA on the ground that the single privilege would constitute a monopoly.

Dr. Jewett explained that the RCA was the only radio manufacturer to consult him on the matter, and he emphasized that the A. T. & T. should be allowed to be the judge of the disposition of its own property. He said, in answer to a question, that the A. T. & T. probably would charge RCA nothing for the initial television experiments.

"Of course, once the cable is proved of value in television", he said, "we will doubtless make it available to other companies. It is to our interest to have as many users of the cable as practicable."

He expressed the opinion that television is still far in the future and that the utilization of the cable for television "will be small in the next ten years."

C. M. Bracelen, A. T. & T. General Counsel, was frequently over-ruled as he objected to questions which called upon Dr. Jewett to express opinions.

X X X X X X X X

NAB DECLINES TO PARTICIPATE IN BERRY'S BUSINESS PARLEY

While previously non-committal regarding the efforts of Major George L. Berry, coordinator for industrial cooperation, to revive the NRA under a different label, the National Association of Broadcasters this week revealed it would not participate.

The conference of varied business representatives, scheduled for December 9, is ostensibly to be held to decide what new legislative program may be drafted. Major Berry has emphatically denied he intended to try to resurrect the NRA that was killed by the U. S. Supreme Court.

James W. Baldwin, Managing Director of the NAB, in declining Major Berry's invitation to attend the conference, wrote as follows:

"This is in further reply to your letter of October 9 extending to the radio broadcasting industry an invitation to participate in round-table discussions for the purpose of conferring upon the advisability of developing a permanent structure, contemplating the furtherance of prosperity and stability in our industrial life and an acknowledgment of the receipt of your letter dated November 7.

"It seems quite clear from the letters received from you that the purpose of these round-table discussions is to prepare a program and determine upon a course of action which shall result in a re-establishment, by legislative enactment, of all or a part of the Codes of Fair Competition which were approved in pursuance of the provisions contained in the National Industrial Recovery Act. We, therefore, approach the question presented in the light of our experiences in the administration of the Code of Fair Competition for the Radio Broadcasting Industry. Without attempting to discuss here the many phases of code regulation, we are convinced that the highly competitive character of the radio broadcasting industry must not be destroyed. We regard it as practically impossible to adopt any regulation governing hours, wages and prices which will not set a standard that will be oppressive to many members of our industry and prejudicial to the best interests of all our employees. We are confident that the problems related to your undertaking insofar as the radio broadcasting industry is concerned can be best met by giving due consideration to each problem separately and giving due weight to the conditions and circumstances surrounding it wouthout regard to any common denominator for the industry as a whole.

"We regret to say we cannot accept your invitation."

X X X X X X X X X X

RAYTHEON ASKS JURY TRIAL IN $15,000,000 SUIT

Attorneys for the Raytheon Manufacturing Company of Massachusetts asked the U. S. Supreme Court Nov. 25 to allow a jury to decide on its $15,000,000 anti-trust damage claim against the Radio Corporation of America.

The Court on Oct. 14 agreed to review a preliminary angle of this dispute on petition of RCA, and oral arguments are scheduled for the week of Dec. 9.

John W. Davis as chief counsel for RCA, has contended that Raytheon forfeited its right to bring the damage action by signing an agreement and release with RCA and accepting a license to manufacture radio tubes under RCA patents with exemption from paying $1,500,000 royalties.

Lawyers for Raytheon contend that this release was obtained under duress. In a brief filed they contended that unless the release was set aside, the company would be deprived of capital assets of more than $9,000,000.

X X X X X X X X

PANAMA'S BROADCASTING FACILITIES ARE EXPANDED

That facilities are becoming sufficient for satisfactory radio broadcast coverage of Panama is indicated in a report from Consul K. de G. MacVitty, Panama City, made public by the Commerce Department.

During the last eight months, the report states, four radio broadcasting stations have been established in the Republic, three of which are operating on short-wave band and one on the medium wave band. In addition to the broadcasting station, the Government of Panama has established three short-wave stations for governmental use.

Commercial radio and radio phone stations have been in operation a number of years. These stations maintain communication with New York, Miami, New Orleans, San Francisco, Cuba, Trans-Atlantic Radio, Bogota, Colombia, and nine Central American stations. All construction of the commercial radio company is designed exclusively for short-wave operation.

The transmitting station of the commercial radio is remote controlled, the report shows. Its radio telephone network can be connected with the telephone systems of the Republic of Panama and the Panama Canal Zone.

X X X X X X X X

"AMOS 'N' ANDY" MISS FIRST EASTERN BROADCAST

The fondness of "Amos 'n' Andy" for hunting caused them to miss what would have been their 2,202nd broadcast on November 22 and brought forth some apologies to the millions of disappointed listeners.

They were guests of Lawrence Richey, secretary to former President Hoover, for a wild turkey hunt near Hancock, Md., not far from the National Capital. Due "to circumstances beyond their control", they failed to return to the NBC studios in Washington for the 7 P.M. broadcast and arrived just a little ahead of the 11 P.M. program for the Pacific Coast.

Laden with two wild turkeys apiece and a lot of ducks and pheasants, Amos (Freeman F. Gosden) and Andy (Charles J. Correll) said their only regrets were that they disappointed their followers.

"The hunting was so good", explained Gosden, "that we got all mixed up on our calculations about time, and the first thing we knew it was too late to get back to Washington in time for our first broadcast."

While the famed blackface comedians have a remarkable record for being on hand for their twice-nightly broadcasts over a period of eight years, they have missed but two previous broadcasts through no fault of their own.

"They gave us two days off when we went to California to make our picture, one day going and one day returning", Correll said. "We didn't really want these, however. We wanted to broadcast en route."

X X X X X X X X X

RADIO HELD INDISPENSIBLE IN MODERN AIR TRANSPORATION

From an experimental novelty, radio has developed into an indispensible adjunct of air transporation, according to Lloyd H. Simson, principal radio electrician, Radio Development Section, Bureau of Air Commerce.

"Adaptations of radio principles have been applied to practically every phase of aircraft operation", he writes in the current issue of Air Commerce Bulletin.

"Aerial navigators are relying to an ever-increasing extent upon such aids as the radio range, the radio compass, airport runway localizers, and various instrument navigation devices. Complete, exact and frequent weather reports so essential to consistently reliable aircraft operation depend largely upon the

radiotelegraph and radiotelephone for the collection and dissemination of meteorological data, and entirely upon radio for its transmission to aircraft in flight. Equally important is an efficient communication network for the exchange of weather data and aircraft movement information between ground stations for the benefit of operations and servicing organizations. Here, radio supplements land-wire telephone and telegraph circuits where such are available and bridges the gaps where they are not obtainable. In this category falls the point-to-point radio chains maintained by the Air Navigation Division of the Bureau of Air Commerce, supplementing its extensive teletypewriter network.

"Radio, both as a medium of communication and an air navigational aid is a tool, without which it is extremely improbable that the art would have advanced at such an astounding pace. The extent with which it will enter into future development can only be anticipated on the basis of the role it has played in the past.

"Already, in fact, it has become so inextricably a part of transport operations equipment that familiarity with its use should now be a prerequisite qualification of all airport traffic-control personnel."

X X X X X X X X

ELECTRICITY CONSUMPTION REVEALS INCREASE IN LISTENING

The rapid rate at which actual radio listening is increasing is shown in the increasing consumption of electricity by the residences of the United States. Last week the utilities' output of electricity passed even its 1929 peak, and a considerable part of this increase in the residential field can be ascribed to radio, according to O. H. Caldwell, editor of Radio Today and former Federal Radio Commissioner.

Thus because of radio listening during the depression years, the average annual residence consumption of electricity (500 kw.-hours in the boom year of 1929), had increased to 600 kw.-hours by 1933, and has now climbed to 675 kw.-hours as 1935 closes.

The average radio set, when used 4 hours per day, consumes about 10 kilowatt-hours per month. With nearly 20 million lamp-socket sets now in service, this means a monthly consumption of 200,000,000 kilowatt hours for radio-set operation alone. The total consumption of these same dwellings is 1,180,000,000 kw.-hours per month, having increased 40% from 840,000,000 kw.-hours in 1929 at the beginning of the depression. Thus 20% of the domestic electricity consumption goes directly into long-hour operation of radio sets, while as much more is probably used for lighting, induced by radio listening.

X X X X X X X X

RCA ANNOUNCES DIVIDEND OF 1¾% FOR QUARTER

The regular quarterly dividend on the "A" Preferred stock of the Radio Corporation of America for the fourth quarter of the year 1935 was declared Nov. 22 by the Board of Directors, David Sarnoff, President of the Corporation, announced.

The dividend is 1¾ per cent for the quarter, amounting to 87½ cents a share. It is payable on Jan. 1, 1936, to holders of record of the stock at the close of business on Dec. 4, 1935. It applies to all outstanding shares of "A" Preferred stock, including shares of "A" Preferred represented by outstanding unexchanged certificates of original Preferred stock -- ten of these unexchanged shares being equal to one share of "A" Preferred.

X X X X X X X X X

CROSLEY ISSUES RADIO TRAVELOGUE BY LOWELL THOMAS

A radio travel book, written by Lowell Thomas, world traveler and noted commentator, has been published by the Crosley Radio Corporation for distribution through Crosley dealers. The book is in Lowell Thomas' characteristic style and tells important and interesting things about the different countries in the world, and gives information about the broadcasting stations in those countries to enable short-wave listeners to tune in at the correct time and the right place on the dial. It makes foreign broadcasts doubly fascinating by giving the listener the salient points about the countries being listened to, so that he feels a more personal acquaintance with them.

The book also gives practical suggestions to radio fans on how to dial and to tune in distant stations, where to look for police, weather, aviation, amateur and ship broadcasts in addition to the American and foreign broadcasts. A comprehensive list of the world's leading stations is given, together with a diagrammatic map showing the comparative time throughout the world.

X X X X X X X X

15 MACKAY OFFICIALS DENIED RIGHT TO HOLD TWO OFFICES

Continuing its enforcement of Section 212 of the Communications Act of 1934, the Federal Communications Commission has denied requests of 15 officials of companies included in the Mackay System to serve as executives or directors of more than one firm.

The companies affected, all controlled by the International Telephone & Telegraph Co., are the Commercial Cable Co., Commercial Pacific Cable Co., Mackay Radio & Telegraph Co., All America Cables, Cuban All America Cables, and Postal Telegraph & Cable Co.

The officers whose applications were denied are:

Maynard Dodd, William B. Dunn, Frank Flynn, John Goldhammer, Thomas V. Jordan, Luke McNamee, Chauncey R. McPherson, Robert D. Merrill, Frank W. Phelan, Harraden Pratt, Henry C. Roemer, John K. Roosevelt, Ellery W. Stone, Claude H. Strickland and Mark A. Sunstrom.

X X X X X X X X

INDUSTRY NOTES

The FCC has suspended until April 1 next, the new charge for monthly interstate teletypewriter exchange service, scheduled to begin January 1, 1936, to determine if the rates are reasonable. Among the communications companies cited for a hearing on December 20 are the A. T. & T., Postal, Western Union, RCA Communications, and the Mackay Radio & Telegraph Co.

WMCA, New York, was off the air but 55 seconds during the severe storm of November 17, according to Larry Nixon, in charge of Public Relations. One of WMCA's three transmitters, the one atop the WMCA building, was turned on after the power lines feeding the Flushing transmitter went out of commission.

WMCA recently was awarded the second highest showmanship rating in the highly competitive New York filed by Variety.

In order to make its total program building resources available to handle each creative problem as it arises, the Columbia Broadcasting System will, on January 1, combine its Commercial and Sustaining Program Departments into a single organization.

Lawrence W. Lowman, Vice-President in Charge of Operations, whose present duties include the sustaining end of the work, will be administrative head of the new combined department, and W. B. Lewis, now in charge of the Commercial Program Department, will be in charge of program building activities with the title of Director of Broadcasts.

X X X X X X X X

GIBES AGAINST RADIO SPONSOR CALLED UNFAIR

The following letter to the editor was published in the New York Times this week:

"Pity the poor radio sponsor! He has been the victim of gibes which have no legitimate basis. The self-appointed sages bemoan that a great singer is put on the air at a fabulous salary and then forced to sing 'claptrap', losing the privilege of 'expressing himself'.

"As one connected with radio andthe people allegedly victimized, I resent such an attitude. Singers and all other performers are pretty much on their own. Sponsors recignize that a performer with a reputation understands pretty thoroughly what the public wants in the way of amusement and entertainment. Radio artists today stand or fall on their own merits. It strikes me that the singers whose honor these critics defend would be the first to appreciate the humor of the situation.

"Then, too, sponsors are summarily criticized because of advertising on their programs. Is not this a bit unfair? When we contemplate that an average first-rate radio program costs thousands of dollars for air time and there is additional great expense for talent, surely the sponsor is entitled to a brief moment to propagate the sales of his product."

X X X X X X X X X X

McDONALD'S STEWARD TAKES A SUDDEN INTEREST IN ZENITH CORP.

The following appeared last week in a chatty column of the Chicago Tribune:

"Thomas, chief steward on the yacht Mizpah, home of its owners, Mr. and Mrs. E. F. McDonald, Jr., has been in the habit of calling Commander McDonald at 6:30 in the morning. It was his custom to call him again if he did not hear him moving about by 7. During the last three or four months, however, his employer has observed that Thomas has been calling him a second time five minutes after the first call and at regular five minute intervals thereafter until he knew he was up.

"'Thomas, why this increased efficiency on my morning calls?' Mr. McDonald asked the other morning at breakfast.

"'I own some Zenith stock now, sir', Thomas replied.

"'In other words, I am working for you now instead of you working for me', answered the radio company head.

"'Yes, sir', answered Thomas."

X X X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF NOVEMBER 29, 1935

No. 881

TEN PER CENT OF RADIO CONTINUITIES QUESTIONED BY FTC

The Federal Trade Commission during the last fiscal year after a preliminary review of 376,539 radio continuities found 38,873, or about ten per cent, questionable enough to refer to the Legal Division for further consideration and possible action, the FTC annual report released today (Nov. 29) reveals.

All of these 38,873 advertising announcements were not necessarily barred after further examination, but the Commission found reason for questioning them "as possibly false and misleading", the report explains. In many cases advertisers entered into stipulations with the FTC to cease and desist from broadcasting false or misleading announcements over the air.

False and misleading advertising matter as published in newspapers and magazines and as broadcast over the radio is surveyed and studied by a special board set up by the Federal Trade Commission in 1929. This board, known as the Special Board of Investigation, consists of three FTC attorneys designated to represent the Commission at preliminary hearings and specialize in this type of cases.

The Federal Trade Commission, which has recently been conferring with members of the Broadcast Division of the Federal Communications Commission regarding a cooperative control of radio programs, explains its attitude in "censoring" continuities.

"The Commission's sole purpose is to curb unlawful abuses of the freedom of expression guaranteed by the Constitution", the report states. "It does not undertake to dictate what an advertiser shall say, but rather indicates what he may not say. Jurisdiction is limited to cases which have a public interest as distinguished from a mere private controversy, and which involves practices held to be unfair to competitors in interstate commerce."

In all cases where false and misleading advertising is detected in radio broadcasts, the Commission is applying substantially the same procedure as is followed in the cases of false and misleading advertising in newspapers, magazines, and other periodicals.

"This scrutiny of radio advertising is being conducted with a minimum of expense to the government as well as to the industry", the report states, "because of the cooperation of members of the industry and the system of procedure developed.

"The Commission began its review of advertising copy broadcast over the radio at the beginning of the fiscal year 1934-35. At the outset the Commission, through its Special Board of Investigation, made a survey of all commercial continuities, covering the broadcasts of all radio stations during July 1934. The volume of returns received and the character of the announcements indicated clearly that a satisfactory continuous scrutiny of current broadcasts could be maintained with a limited force and at small expense, by adopting a plan of grouping the stations for certain specific periods.

"Consequently, starting in September, 1934, calls have been issued to individual radio stations according to their location in the five radio zones established by the Federal Communications Commission. These returns cover specified 15-day periods.

"National and regional networks, however, respond on a continuous weekly basis, submitting copies of commercial continuities for all programs wherein linked hook-ups are used involving two or more affiliated or member stations.

"To complete the observation of radio advertising, the producers of electrical-transcription recordings submit regular weekly and monthly returns of typed copies of the commercial portions of all recordings manufactured by them for radio broadcast. As the actual broadcast of a commercial recording is not always known to the manufacturer of the commodity being advertised, the Commission's knowledge of current transcription programs is supplemented by special reports from individual stations from time to time, listing the programs of recorded transcriptions with essential data as to the name of the advertiser and the article sponsored.

"The combined material received from the individual stations for specified periods, from the weekly returns on regional and national network broadcasts, and from the special transcription reports, furnishes the Commission with representative and specific data on the character of radio advertising which has proven of great value in its efforts to curb false and misleading trade representations."

In the field of dealers in radio sets and tubes, the Commission "charged various groups of persons, partnerships, and corporations selling radio sets and radio tubes in interstate and foreign commerce with appropriating and using prominent, well-established and favorably known names long in use by others, as marks or brands on radio sets and radio tubes manufactured and sold by respondents. It was alleged that surnames of individuals and brand names of concerns well known and established in the electric, sound transmission, and radio fields had been appropriated by respondents without the consent of the persons or concerns whose surnames or brand names had been so used, and that the alleged appropriation of such names and brands placed in the hands of respondents and others the means whereby trade was unfairly diverted from those whose names and brands were so

applied, with resultant injury to the purchasers of radio sets and radio tubes so falsely branded."

The Trade Commission was aided by effective cooperation from other departments of the Government. Cases involving what appeared to be fraudulent schemes in violation of the postal laws are referred to the Post Office Department. Scientific opinions have been rendered by the Food and Drug Administration, Bureau of the Public Health Service, andthe Bureau of Standards. Also analyses and comments regarding the therapeutic properties of various preparations have been furnished by the Food and Drug Administration. In a number of cases, Commission action against advertisers of medical preparations has been undertaken at the request of the Department of Agriculture.

X X X X X X X X

ST. LOUIS AUTO RADIO BAN SEEN DOOMED AFTER PUBLIC HEARING

The proposed ban on radio receivers in automobiles at St. Louis appeared doomed by unanimous public opposition after a public hearing before the Public Safety Committee of the St. Louis Board of Aldermen, November 25.

Bond Geddes, Executive Vice-President of the Radio Manufacturers' Association, which organized the opposition, reports that more than 100 representatives of the auto, radio and broadcasting industries appeared to testify against the ordinance sponsored by Maj. A. J. Lambert, St. Louis Police Commissioner.

"No one appeared in support of it", Geddes said, "not even Major Lambert."

The Committee took the matter under advisement and will report on December 6 at a meeting of the City Council. Defeat of the proposal appears very probable, Geddes said.

Witnesses who appeared to oppose the ban included the St. Louis Electrical Board of Trade, the Greater St. Louis Automobile Club, and Geddes, who presented telegrams from officials of 44 States asserting that no traffic accident to their knowledge could be attributed to an automobile radio.

The St. Louis Safety Council reported that no accident in the city could be attributed to the present of radio sets in motor vehicles.

Broadcasting stations in St. Louis lent invaluable aid to the fight against the ordinance. For four days before the hearing, J. L. Van Volkenburg, of KMOX, and Raymond C. Schroeder, of WIL, broadcast attacks on it, explaining it would prove harmful to listeners, broadcasters, and advertisers. The Automobile Manufacturers' Association and other national organizations entered protests against the ban, and the St. Louis Post-Dispatch carried an editorial denouncing the proposal.

X X X X X X

SUPER-POWER G-MAN STATION TO DEPEND UPON RESULTS OF TEST

Whether the Federal Government decides to construct a super-power G-Man short-wave broadcasting station to form an ethereal network for speedy apprehension of kidnappers and other inter-state criminals probably will depend upon tests to be made next week.

Police and short-wave radio fans have been asked to cooperate with the Federal Bureau of Investigation to determine whether the Bureau of Standards Station WWV, Beltsville, Md., can be tuned in at such far-away places as Florida, Mississippi, and the West Coast.

J. Edgar Hoover, Director of the FBI, who is anxious to impress upon the approaching Congress the need for more funds, said:

"There is no precedent in this country for broadcasting from one station on such a comprehensive scale. The project, of course, requires very careful study. The Federal Communications Commission and the National Bureau of Standards studied various plans from a general engineering standpoint and submitted the recommendations of their engineers to the FBI."

Hoover announced sometime ago that consideration was being given to erection by the Department of Justice of a powerful short-wave transmitter capable of flashing emergency orders to G-Men in all parts of the country and of informing State and City police of criminals at large.

The idea is one of many that Hoover has to coordinate Federal, State and Municipal law enforcement agencies in important man-hunt or other inter-state cases. Almost all, however, are subject to review by Congress because of the additional appropriations required.

Just why ordinary short-wave listeners should be invited to tune in on the experiments has not been explained, but it has the ear-markes of a publicity stunt as any Justice Department station that eventually is developed would not broadcast in a fashion that every short-wave set owner could listen in on.

The tests will occur on December 2, 5, 9 and 12. The schedule on each of the days follows:

Two p.m., E.S.T., on 5,000 kilocycles; 2:10 P.M., EST, on 10,000 kilocycles; 2:20 P.M., EST, on 15,000 kilocycles; 11 P.M., EST, on 4,000 kilocycles; 11:15 P.M., EST, on 6,800 kilocycles.

X X X X X X X X X

EXAMINERS STRAIGHTEN OUT TWO INTER-STATIONS SCRAPS IN WEST

Two inter-station scraps for better broadcasting facilities have been recommended for settlement by Examiners in reports to the Federal Communications Commission. Both groups involve western outlets.

Five stations in the West and Northwest sought operation on 780 kc., including KEHE, Los Angeles, which is already assigned to the channel. The other stations and their present waves are: KDFN, Casper, Wyo., 1440 kc.; KGHL, Billings, Mont., 950 kc.; KSOO, Sioux Falls, Idaho, 1100 kc.; and KXL, Portland, Ore., 1420 kc.

Examiner P. W. Seward recommended to the FCC that the disputed channel be granted to the Billings, Mont., station and that the other applications be denied. The Examiner said that the granting of the KGHL request would produce no objectionable interference and that it would serve public interest, convenience, and necessity.

Four Texas applicants asked for assignment on 1500 kc., with 100 watts power, daytime operation. Examiner John P. Bramhall recommended that construction permits be granted to the Big Spring Herald Broadcasting Co., Big Spring, Texas, and the North Texas Broadcasting Co., Paris, Texas, providing their antennas complied with engineering requirements.

Denial of the applications of the A.B.C. Broadcasting Co., Big Spring, Texas, and the Plainview Broadcasting Co., Plainview, Texas, was recommended.

X X X X X X X X X X

FEW NEW FEATURES IN GERMAN RADIO RECEIVING SETS

A birds-eye view of the new German radio receivers exhibited at the recent Berlin Exhibition has been reprinted by the Electrical Division of the Department of Commerce from "Das Echo". The Berlin show, the publication states, reveals little that is new and nothing revolutionary in design. The "standard types of last year, in their man characteristics and class divisions, have been retained", it states.

"The new sets are healthy improvements on the approved models, which offer purchasers a guarantee for thorough elaboration of the apparatus, and given reception performances in each class which represent the highest attainable."

Corresponding with the progress made in television, a number of German firms have already provided their standard sets with an ultra-short wave range which permits the ultra-short waves of the televisor to be received.

"It must not be forgotten to mention the television receiver for sound and pictures which, when switched together with a standard Superhet set, permits the ultra-short wave sound to be received, and can supply the first amplifying stage for the picture part of a television receiver", the report states. "Such apparatus considerably simplify the television receiver, and enables all who are already in possession of a good Super, or who intend to purchase one, to make use of their sets in combination with television receivers which will later make their appearance."

X X X X X X X X X X

NRA TO PASS INTO HISTORY SOON; RADIO INDUSTRIAL UNION LOOMS

The National Industrial Recovery Administration will pass into history within a few weeks, according to all indications in Washington, but a movement will start to organize the radio industry along industrial union lines as advocated by John L. Lewis, resigned Vice-President of the American Federation of Labor.

Even the business conference called by Major George L. Berry, coordinator for industrial cooperation, appears to be petering out as other industries stand with the National Association of Broadcasters in declining to participate.

Raymond Clapper, Washington Post columnist, commented on the Berry parley thus:

"The American Iron and Steel Institute has added its name to the long list of industries refusing to participate in the conference on industry called by George L. Berry, of NRA.

"From present indications, Berry will hold the most largely unattended conference in the history of NRA."

While Major Berry has denied he intends to try to revive the NRA, business appears skeptical. The conference is scheduled for December 9, when the future course of the remnants of NRA may be decided.

The proposal which is expected to be placed before the conference will be legislation to provide a permanent organization of business and labor leaders under government supervision to give continuous attention to industrial problems.

Laurence J. Martin, who has been Acting Administrator of NRA, will resign shortly to take a position with a manufacturing concern. No successor is expected to be named.

How far Lewis and his associates will get in their efforts to organize industrial unions as opposed to craft unions is conjectural. The issue has already split the ranks of the A.F. of L.; the radio industry, however, has been chosen as one of the industries in which the fight will be made.

X X X X X X X X

WARNER BROTHERS MOVE PUTS BROADCASTERS IN QUANDARY

The withdrawal of the eleven music companies controlled by Warner Brothers from the American Society of Composers, Authors and Publishers has placed broadcasting stations in a temporary quandary as they await the next moves of Warner Bros. and ASCAP.

James Baldwin, Managing Director of the National Association of Broadcasters, frankly admitted that he didn't know what the upshot of the resignations will be.

During a trip to New York, he learned that Warner Bros. has not decided what terms to offer broadcasting stations which want to use the music controlled by its companies. ASCAP is in the midst of reclassifying its membership, and it is presumed it will offer a schedule of reduced rates to broadcasters.

Asked whether the withdrawal of Warner Brothers should not bring down ASCAP rates on its remaining music, Baldwin said: "It certainly should."

Stations which already have renewed contracts with ASCAP for the next five years have been given the opportunity to cancel them pending the outcome of ASCAP's review. The new contracts were to become operative January 1, 1936.

The possibility that some of the stations may continue to use Warner Brothers' music after December 31, when the latter's withdrawal becomes effective, was seen by Variety, amusement trade organ, on the ground that the new contracts "guarantee to hold the licensees free from liability in any infringement suit brought in connection with any musical rights currently controlled by ASCAP."

Statements were issued by both Warner Brothers and ASCAP following the action of the former at its Directors' meeting last week.

Warner Brothers, in its statement, took exception to the published remarks of Edwin C. Mills, General Manager of the Society, in which he described the resignations of the music publishing firms as an action "solely and selfishly in the interest of themselves."

"Such an accusation demands a reply", the Warner statement asserts. "The self-preservation of our companies has dictated their withdrawal from the society, which has utterly failed to obtain adequate payments for the use of music by radio. The Society at present is being run by a well-entrenched clique of executive officers who sign contracts and perform other important acts on their own authority.

"As things stand today, the Society has disposed of its rights to radio for the next five years on a basis which

would render it impossible to keep our music-publishing companies alive if they retained their memberships.

"These executive officers have very little at stake financially in comparison with the publishing firms that are threatened with extinction, although it must be said that the salaries paid the Society's executives are certainly not small, Mr. Mills, the General Manager, receiving about $50,000 a year for his services, and Mr. Buck, the President, about $35,000."

Mr. Mills said:

"Warner Brothers Pictures are attempting to justify an act for which, heretofore, publicly and privately, their single excuse has been that they must have more money."

X X X X X X X X X

STATION LIST ISSUED TO COMPLEMENT PROGRAM BULLETINS

A list of radio stations has just been published in conjunction with the December program bulletin of The Radio Institute of the Audible Arts, in order to aid listeners in all parts of the country in tuning in on the recommended programs listed in the Institute's program bulletin, as well as other chain broadcasts. The list is arranged by States and cities, and notes the network affiliations and frequencies of the stations listed.

The December bulletin continues the day by day classification of outstanding domestic programs in the fields of music, talks, variety, comedy, drama, sports and special events to be heard during the month. Pitts Sanborn, nationally known music critic and Director of the Institute, discusses broadcasts of outstanding musical events in a supplement to the bulletin.

The station list and program bulletins of the Institute, which was founded by Philco Radio & Television Corporation, may be obtained free of charge, upon request to The Radio Institute of the Audible Arts, 80 Broadway, New York City.

X X X X X X X X

ZENITH REPORTS NET PROFIT OF $482,025.99

Zenith Radio Corporation reports a net operating profit for the quarter ended October 31, 1935, of $482,025.99, as against a loss of $13,581.75 in the corresponding quarter of 1934, according to E. F. McDonald, Jr., President.

For the six months period ended October 31, 1935, Zenith reports a net operating profit of $547,448.45, as against a loss of $50,154.94 in the corresponding first half of the fiscal year 1934.

These figures are after all charge-offs, including liberal depreciation, excise taxes, and royalties, but before Federal profits taxes, as per the Company's books.

"Zenith Radio Corporation has at present three times as many dealers throughout the United States as it had at the beginning of its fiscal year, and its entire line of radio receiving sets with its new black dial have enjoyed an enormous increase in public acceptance", McDonald said.

"Production for the quarter was the highest in the history of the company. Sales for the quarter were the highest for any quarter since 1929. The company's two plants will be unable to fill the November orders on hand.

"The figures submitted herewith are believed to fairly set forth the extent of the Company's progress for the period but are, however, subject to verification by our auditors when making their annual examination at the close of our fiscal year."

X X X X X X X X X

PRALL LUNCHEON ADDRESS TO BE BROADCAST DEC. 5

Anning S. Prall, Chairman of the Federal Communications Commission, will address the "Headliners" luncheon of the Downtown Athletic Club December 5. The talk will be broadcast over an NBC-WEAF network at 1:05 P.M. EST.

Noted officials of the radio, telephone and telegraph industries will be guests at the luncheon, among them being David Sarnoff, President of RCA; Richard C. Patterson, Jr., Executive Vice-President of NBC; R. B. White, President of Western Union; William S. Paley, President of CBS; Walter Gifford, President of the American Telephone and Telegraph Company, and Sosthenes Behn, President of the International Telephone and Telegraph Company.

X X X X X X X X X X X

INDUSTRY NOTES

"Squashing all rumors to the contrary", reports Billboard, "the Don Lee network will continue to be the CBS Pacific Coast outlet - at least for another year. It has just been revealed here (San Francisco) that an extension of the present contract between the two was signed in New York in October. The extension is to run until January 31, 1937."

Grief over the death of his wife was ascribed as the cause of the suicidal death of Walter A. Parks, 38, Program Engineer at WMAL, Washington, on November 27. Parks, who had been with WMAL four years, shot himself through the heart.

The Telephone Division of the Federal Communications Commission has adopted the annual report, Form M, for telephone companies for the year 1935. Certain changes have been incorporated. Copies may be obtained from the FCC.

Clear channel station representatives are reported by Variety to have held a meeting in Chicago recently to plan their defense against any change in policy by the Federal Communications Commission on clear channel assignments. Those reported represented: WSM, Nashville; WFAA, Dallas, WOAI, San Antonio; WHO, Des Moines; WLW, Cincinnati; KFI, Los Angeles; WGN, Chicago; WHAS, Louisville; and WJR, Detroit. KDKA, Pittsburgh and KYW, Philadelphia, were not represented.

The FCC Telegraph Division on November 26 set for hearing in part the applications for renewal of licenses filed by a number of radiotelegraph companies. The parts set for hearing covered points outside of the United States to which, according to the information in the possession of the Commission, no traffic was transmitted during the preceding license period. The Division will entertain motions to reconsider and to grant without hearing the renewal licenses where the applicants can show that the Commission's information was incomplete and that the circuits were active during the preceding license period.

X X X X X X X X X

WJR STOCK TO BE SOLD TO PUBLIC; WILL ACQUIRE WGAR CONTROL

As WJR, Inc., Detroit, prepares to sell its proposed increase in stock to the public, a plan was revealed under which WJR will gain control of WGAR, Cleveland, through an exchange of shares.

WJR is awaiting approval of the Securities and Exchange Commission before increasing its present 15,000 authorized shares of $10 par value, to 200,000 shares with a $5 par value. WJR will make available 28,065 shares to the public at $25 par.

WGAR control will be effected, it is reported, by WJR trading 20,000 shares of the $5 par stock for the present 1,000 share capitalization of the Cleveland station. The latter is owned by G. A. Richards, President of WJR; Leo Fitzpatrick, Vice-President and General Manager; John F. Pratt, and P. M. Thomas, Treasurer of WJR.

X X X X X X X X X X

WESTINGHOUSE SELLS BALANCE OF SHARES IN RCA

Westinghouse Electric & Manufacturing Company has disposed of the balance of its holdings of Radio Corporation of America common stock, realizing an average of $8.08 a share, according to the Associated Press.

As of May 1 last Westinghouse had a balance of 60,038 shares of Radio common and 28,200 shares of class "A" preferred. The shares were sold in compliance with the terms of the consent decree entered by the Federal Court in Delaware three years ago, which required liquidation by November 21, 1935.

The recent sales represented stock held against fractional receipts for one-fourth of one share of common, issued to Westinghouse stockholders last February 18, when the company made a pro rata distribution of 665,299¼ shares.

Holders of the fractional receipts will receive a payment of $2.02 for each receipt.

Westinghouse held 2,842,950 Radio common at the time of the decree which terminated the interests of General Electric and Westinghouse in Radio Corporation.

X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL—Not for Publication

INDEX TO ISSUE OF DECEMBER 3, 1935

No. 882

December 3, 1935

NAVY DEPT. REPORTS RADIO USEFUL IN MANY FIELDS IN 1935

The far-flung services of the United States Navy Department found radio indispensible in many fields during the fiscal year 1935, Secretary Claude A. Swanson reported on December 1st to the President.

Radio direction-finders guided both ships at sea and planes in the air, time signals set the hemisphere's clocks, weather bulletins warned both mariners and land-lubbers, and 127,031,726 words were transmitted over the naval-shore radio system.

The latter item, alone, saved the Federal Government over $3,250,000, figured at commercial rates. Fifty-three per cent of the communications traffic was handled for other government departments. The savings on Navy traffic was $1,561,152; on other governmental communications $1,764,330.

There are 36 naval radio-traffic stations and 43 radio direction-finder stations in active commission. There are nine traffic stations in a decommissioned status. The naval radio station at Bar Harbor, Maine, was decommissioned and in lieu thereof the naval radio station at Winter Harbor, Maine, was commissioned March 2, 1935.

"During the year the radio direction-finder stations have continued to render excellent service to Government and merchant shipping as well as to aircraft", Secretary Swanson said. "About 28,000 bearings were furnished to naval vessels and about 180,000 bearings to other craft. The value of this service is exemplified by many letters of appreciation from vessels of the merchant marine, both foreign and domestic.

"A total of 22,578 broadcasts of time signals was sent out from Navy shore stations during the fiscal year. This very large increase over previous years was necessitated by the insistant request of scientific users of this service, such as the Coast and Geodetic Survey's field parties, seismic laboratories, etc.

"Weather bulletins are broadcast daily from 26 naval radio stations and hydrographic bulletins from 21 stations. Numerous frequencies are employed to insure adequate dissemination of important information. Assistance is also rendered to the Weather Bureau in collecting information upon which these bulletins are based. This service is of particular necessity and value to all mariners.

"During the fiscal year 1935 there was deposited in the United States Treasury, to the credit of "Miscellaneous receipts' by the Naval Communication Service, the sum of $44,000 as earnings on commercial traffic handled during the year. Efforts have been continued to turn over, whenever possible, to commercial companies the commercial traffic now handled by the Navy. However, all the more important and profitable traffic has long since, in accordance with law, been left to the commercial interests.

"The training of the Naval Communication Reserve has continued satisfactorily. There are 29 reserve radio-control stations equipped with Government-owned transmitting and receiving equipment. During the latest fleet problem, Communication Reserve personnel were placed on temporary duty in the eleventh, twelfth, thirteenth, and fourteenth naval districts and in the Navy Department."

Reporting on the Naval Observatory, Secretary Swanson said:

"The automatic time-broadcasting apparatus has been in continuous use since May 30, 1934, and has given very satisfactory service. This, in conjunction with the photographic determination of time, has exceeded our highest expectations and has aroused considerable interest among foreign astronomers."

The Chief of the Bureau of Yards and Docks in a report to the Secretary stated that new radio stations are being built at Summit, Canal Zone and Lualualei, Hawaii. The work includes numerous buildings and a number of 300 and 600 foot towers. At other radio stations extensive alterations and additions have been made.

X X X X X X X X

DECISION EXPECTED SOON IN "NEWS PIRACY" APPEAL CASE

The United States Circuit Court of Appeals is expected to announce its decision very shortly in the so-called "news piracy" case of the Associated Press vs. KVOS, Inc., of Bellingham, Wash., according to former Senator C C. Dill, counsel for KVOS.

Because the court ruling may be of far-reaching significance in the broadcasting of news, both broadcasters and press associations are watching it with keen interest. Federal Judge John C. Bowen in Seattle had previously denied an injunction asked by the Associated Press to restrain the station from broadcasting news that appeared in the Bellingham Herald and Seattle papers.

X X X X X X X X X

NEW STATION FOR PITTSBURGH(KANS.) PUBLISHER URGED

A permit to construct a new 100-watt broadcasting station at Pittsburg, Kans., for operation on 1500 kc., unlimited hours, was recommended for award to the Pittsburg Publishing Co., which publishes two daily newspapers, by Examiner Melvin H. Dalberg in a report to the Federal Communications Commission.

At the same time the Examiner recommended that the applications of the Joplin Broadcasting Co., of Pittsburg, which operates WMBH at Joplin, Mo., for operation on 1200 kc. and of the Wichita Broadcasting Co., Wichita, Kans., for operation on 1500 kc., be denied. He held that local broadcasting needs could best be met by a local organization.

Examiner John B. Bramhall recommended that the Black Hills Broadcast Co., Rapid City, S. D., be granted a permit to build a new station for operation on 1370 kc., with 100 watts power, unlimited time, on condition that a suitable antenna be installed.

Station KID, Idaho Falls, Idaho, should be allowed to move its transmitter locally and increase its daytime power to 500 watts but denied the right to raise its nighttime power to 1 KW, Examiner Ralph H. Walker stated in another report to the Commission.

X X X X X X X X X

RADIO SERVICE MEN HOLD SUCCESSFUL CONVENTION, TRADE SHOW

The third annual New York Convention and Trade Show of the Institute of Radio Service Men, recently held, was a great success, the registration reaching 2,500 and the exhibition space being sold out, the I-R-S-M News reports.

Edgar C. Arnold, President of IRSM, in his opening address assailed unscrupulous individuals who had been stabbing the radio industry in the back and the "gang action" that preceded organization of the Institute.

He also explained a new scheme by which "good service men are soon to be set apart from those whose qualifications are subject to question. The plan is to be known as the "Qualification Plan".

X X X X X X X X X X

12/3/35

MOVIE EXECUTIVES REPORTED BEHIND NEW TRANSCRIPTION CHAIN

The day when motion picture stars may be tuned in on the smallest broadcasting stations, as well as the major networks, is foreshadowed in an organization now taking form in Washington, D. C., and on the Pacific Coast.

Reputedly backed by executives of four large motion picture producing companies, the Transcontinental Broadcasting System will be ready for production of a transcription service to stations by January 1st.

While surrounded at present by some secrecy, the operations of the transcription chain are expected to include eventually the recording of cinema talent. There are rumors that it also will encompass the rights to use the copyrighted music controlled by the movie concerns.

Herman Starr, Vice-President of Warner Brothers, denied that the music houses controlled by Warner Brothers have been combined with those of Twentieth Century, Fox, United Artists, and Metro-Goldwyn-Mayer, and other movie concerns, all of which control about 85 per cent of the popular music.

It is understood, however, that while the companies themselves are not behind Transcontinental at this time that executives of the movie producers are tied up with it. With such a reserve of acting talent and musical compositions behind it, the transcription organization is looked upon as having great possibilities.

Transcontinental is now soliciting station tie-ups with the lure of increased spot accounts based on transcriptions. A news service and reproduction of speeches of prominent persons is to form a part of the service.

Incorporated in Delaware November 1, 1935, Transcontinental has a capital stock of $100,000, all of which has been subscribed. James E. Waddell, of San Francisco, is General Counsel, and it is said that former Senator C. C. Dill will be retained as Washington counsel.

Washington offices are in the Munsey Building, and the West Coast headquarters are at 729 Southwestern Avenue, Los Angeles, Cal.

X X X X X X X X X X

BUTCHER'S CBS V-P APPOINTMENT PROVES POPULAR

Harry C. Butcher, Director of the Washington office of the Columbia Broadcasting System and General Manager of Station WJSV for the last five years, has been elected Vice-President of the network. The seventh CBS Vice-President, he will continue his present duties.

Mr. Butcher, who though one of the grey-beards of the industry, is now only 34 years old, and became interested in radio through his friend, Sam Pickard, then Radio Commissioner. When Sam left the Commission to go with Columbia, he wanted Harry to be his successor on the Commission but Charles McK. Saltzman was appointed to this position so Pickard suggested Butcher as Washington representative of Columbia and manager of their local station.

Mr. Butcher was happily cast in the position, having previously been the executive of a national trade association. He made many friends among the great and near great for Columbia in Washington. His walls are papered with autographed pictures of statesmen he has put on the air. Oddly enough one of his closest personal friends in the Cepital represents the competing network, Frank Russell, Vice-President of the National Broadcasting Company. Butcher and Russell in their friendship have been likened to Damon and Pythias.

In addition to keeping an eagle eye on the legislative situation, Butcher has also developed along showmanship lines, one of his discoveries being Elder Michaux. Butcher made Michaux famous and Michaux made "Butch" an elder in the colored church. So when Mr. Butcher was elected a Director of the National Association of Broadcasters, high honors were not new to him.

Although others frequently predicted promotion, Butcher himself was taken completely by surprise when a few nights ago he received a personal telegram from William S. Paley notifying him that he had been made a full-fledged Vice-President of Columbia and offering him best wishes.

X X X X X X X X

FARNSWORTH SEES TELEVISION ARRIVING WITHIN SIX MONTHS

The testimony of Dr. Frank B. Jewett, head of Bell Laboratories, before the Federal Communications recently notwithstanding, Philo T. Farnsworth, an authority on television reseach, predicts that visual broadcasting will be made available to the public within six months.

Dr. Jewett in a hearing on the coaxial cable, in which Farnsworth and RCA have expressed keen interest, stated that

television is still in the future and not likely to attain a practical stage for several years at least.

"It is my opinion that within the next six months at least four television stations will be operating experimentally in the East under a limited program schedule", Farnsworth said at a private demonstration in Philadelphia.

Two of the stations would be in Philadelphia and two in New York, he said. While he made no mention of the coaxial cable, it is believed that the stations may have some hookup with it as the A. T. & T. proposes to build it between those two cities.

"At present I can see no real technical obstacles to television", he added. "Television's going ahead at a faster clip now than at any time in the past."

X X X X X X X X X

BROADCASTERS AWAITING DEVELOPMENTS IN ASCAP-WB SCRAP

Broadcasters were still in the dark early this week as to what may develop in the muddled music copyright controversy between Warner Brothers and the American Society of Composers, Authors and Publishers.

James W. Baldwin, Managing Director of the National Association of Broadcasters, said December 3 that he had not yet ascertained what separate rates may be offered stations and networks by the Warner Brothers group of music publishers or whether ASCAP will present a reduced rate schedule because of the loss of the Warner Brothers music.

After submitting a detailed report of the copyright situation to members of the NAB Board, Baldwin wrote: "Developments in the ASCAP situation require that you hold yourself ready for a Board meeting to be called on short notice."

While ASCAP officials intimated that broadcasters could expect no reduction in schedules, some stations were reported ready to cancel ASCAP contracts just renewed on a 5-year basis, unless the rates are cut substantially and to take a chance on using Warner Brothers music alone or negotiating for a more favorable contract with ASCAP in the future.

X X X X X X X X

AUTO RADIOS END "BACK-SEAT DRIVING", SAFER, SAYS GEDDES

The increasing number of radio receivers in automobiles should prove a deterent to traffic accidents rather than otherwise, according to Bond Geddes, Executive Vice-President of the Radio Manufacturers' Association.

Radio reception in motor vehicles discourages "back-seat" driving and conversation, which are apt to distract the attention of the driver, he said, and it encourages drivers to drive more slowly and to refrain from cutting in and out of traffic lanes.

Attacking the proposed St. Louis ordinance to prohibit radios in motor vehicles, Mr. Geddes emphasized the safety features of an automobile radio set besides attacking the proposal as unreasonable and invalid.

After pointing out that State Motor Vehicle Commissioners and insurance companies have failed to unearth any instances of traffic accidents that could be attributed to the distraction of drivers by radio reception, Geddes said of the safety aspects:

"Excessive speed and reckless driving are conceded to be the principal factors causing motor accidents. Automotive-radio tends to and actually does reduce driving speed and, therefore, is a safety factor. Use of automotive-radio is incompatible with high speed driving, either in the city or on rural highways. This has been demonstrated by actual years and wide use of automotive-radio. Programs cannot be enjoyed while cars are speeding. Enjoyment of music, constituting fifty per cent or more of programs, and other broadcasting, naturally and automatically reduces driving speed. In the absence of automotive-radio, the operator's speed is qualified only by traffic conditions. To enjoy automotive-radio, the pressure for speed, to get somewhere, is reduced by compulsion as well as by natural desire. Speeding while the radio set is in operation is possible but neither practicable nor enjoyable, neither for the car operator nor for companions. A tendency to reduce speed and drive more slowly both in city traffic and on country highways so that radio programs may be properly received and enjoyed is the actual result in the actual use of automobile radio. The result is attested by millions of those who enjoy automotive-radio and also by officials who have made investigation, including those of Missouri.

"Another actual safety result of automobile-radio is that it keeps motorists alert in the operation of their cars and does not dull their perception and reactions. This is especially true in long periods of driving and at night. There are many instances of accidents due to drowsiness or sleepiness of the driver, particularly in the case of chauffeurs or truck drivers.

Auto-radio for the motor operator and also for any passengers tends to promote attention, wakefulness, interest and alertness. All of these are safety factors in driving.

"Also automotive-radio reduces or eliminates the recognized hazard of 'backseat driving'. It reduces disturbing conversation with the operator. It keeps the occupants of the car entertained and, therefore, more quiet, reducing disconcerting conversation. Nothing coming from a loud speaker of an auto-radio can be as disconcerting to the driver as conversation or acts of occupants which divert his attention from his driving job. An ordinance to prohibit 'backseat driving' would be just as reasonable, as logical, as unwise and as unenforceable as the pending bill.

"Automotive-radio also promotes steadier, easier and safer driving by reducing the hazards of cutting in and out of traffic lanes, a source of innumerable accidents especially in city traffic. When enjoying an automobile-radio the driver has less desire to unnecessarily rush and hurry, cutting in and out of traffic. He is less impatient of traffic delays.

"The rear-vision mirror of an automobile tends more to divert the attention of the driver by taking his eyes from the road than does the auto-radio. Much more attention to the rear-vision mirror is required and also in manual operation of the choke, windshield-wiper and gear-shift lever. The standard apparatus of car operation and control all require more eye and manual attention and tend as much or more to divert the attention of the operator than an auto-radio."

X X X X X X X X X X

EDITOR SAYS METAL RADIO TUBE IS HERE TO STAY DESPITE RUMORS

M. L. Muhleman, who handles the Radio Department of the Scientific American, has this to say of metal radio tubes in the current issue:

"There have been some nasty rumors relative to metal tubes, most of which hinged upon production difficulties which are now fairly well ironed out. With the exception of the 5Z4, which has been redesigned, and the 6A8, a few of which have developed trouble in service, the metal tubes are good.

"Three metal-tube receivers have been put through their paces. On the broadcast band, these sets are the equal of receivers using the glass tubes; on the short-wave bands the metal-tube receivers certainly appear superior. In any event, the metal tube is not to be sneezed at. It is here to stay."

X X X X X X X X X

FOOL-AND-INSECT PROOF RADIOS NEEDED FOR INDIA, SAYS CONSUL

Radio receiving sets sold in India must be fool-proof and insect-proof if they are to be successful, Vice Consul N. Lancaster, Jr., of Bombay, reports to the U. S. Bureau of Foreign and Domestic Commerce. While short-wave sets are becoming more popular with Europeans residing in India and Natives educated abroad, the modern receiver is still a mystery to the average Indian.

The Vice Consul lists three defects in "some American makes of radio receivers" sold in the Indian market as of interest to American manufacturers. The defects are:

"1. They are not properly tuned.
"2. They are not sufficiently fool-proof, and that frequently sets unsuitable for the tropics are sent, with the result they often prove unserviceable.
"3. The cabinets are flimsy and easily affected by climatic conditions here. Also that the cabinets are not built so as to be proof against insects. Very often insects such as cockroaches get into the sets and spoil the internal parts, which are not properly protected."

X X X X X X X X

BETTER RADIO ENTERTAINMENT SEEN FROM NEW RECEIVER DESIGN

New advances in radio set design will greatly improve the quality of radio entertainment this season, according to opinions of radio's leading technical experts as quoted in the November issue of "All-Wave Radio", a new short-wave magazine published by Manson Publication Corp., New York City. Among the experts quoted are Edwin K. Cohan, Director of Engineering of Columbia Broadcasting System, and C. W. Horn, Director of Research and Development of National Broadcasting Company.

X X X X X X X X X

CURB ON ABUSE OF PUBLIC MEN ON RADIO LOOMS IN CANADA

As an aftermath of the recent elections, Canada is considering a curb on future broadcasts in which public personages are attacked, even in political campaigns.

Mackenzie King, the new Prime Minister, was stirred to wrath recently, according to the New York Times correspondent at Ottawa, by offensive statements made about him in a series of broadcasts in which a character known as "Mr. Sage" was the principal character. It developed he was an imported American actor. "In one of the sketches a Canadian girl was made to say that she would not get married if Mr. King became Prime Minister because her boy friend would not be able to make a living", the correspondent wrote.

"Stirred to wrath, Mr. King promised revision of the radio broadcasting regulations to prevent abuse of public men. This revision is now being made and it is proposed to ban all such propaganda in future."

X X X X X X X X X

CBS ISSUES NEW RATE CARD WITH OPTIONAL BASIC CITIES

The new rate card of the Columbia Broadcasting System, effective December 1, allows advertisers to select two of five "optional" basic network cities to make up the minimum requirement of 23 basic stations. The optional cities are Akron, Columbus, Rochester, Toledo, and Worcester, all listed at the same basic rate.

The card lists WJR, the new Detroit 50,000 watt outlet, and the new 10,000 watt WWL, New Orleans.

For the convenience of agencies and advertisers the cost of some typical hookups as used by various CBS sponsors are noted on the back of the rate card.

X X X X X X X X

NBC TO OPEN NEW HOLLYWOOD STUDIOS DEC. 7

The National Broadcasting Company will formally open its new Hollywood studios on Saturday, December 7, before a brilliant gathering of stars of the screen, stage and radio. The ceremonies will be broadcast over a coast-to-coast NBC-WJZ network from 10:30 P.M. to midnight EST.

David Sarnoff, President of the Radio Corporation of America; M. H. Aylesworth, President of NBC; Will Hays, President of the Motion Picture Producers and Distributors of America; and Richard C. Patterson, Jr., Executive Vice-President of NBC, and Don Gilman, Vice-President of NBC in charge of the Western Division, will take part in the dedication.

NBC's new Hollywood studios are at 5515 Melrose Ave., in the massive building formerly occupied by the Consolidated Film Industries studio. It has been completely refinished along conservatively modern lines, and now is both fireproof and earthquake-proof.

All construction has been in accordance with the principles followed and developed in Radio City, and the latest technical, soundproofing and air-conditioning equipment installed. RCA apparatus is used throughout.

X X X X X X X X

DAUGHTER OF PAUL KLUGH IS MARRIED

Paul B. Klugh, of Chicago, well-known leader in the radio industry, and Mrs. Klugh, have announced the marriage of their daughter, Miss Constance Mercer Klugh to Mr. Gordon Peirce Stearns at Newtown, Connecticut. Mr. and Mrs. Stearns will reside at The Playhouse, River Road, Rehoboth, Massachusetts.

X X X X X X X X X X

INDUSTRY NOTES

J. C. McNary, consulting radio engineer and Technical Director of the National Association of Broadcasters until a month ago, has purchased the consulting business of T. A. M. Craven, who on December 1 became Chief Engineer of the Federal Communications Commission. He will continue, however, to represent the clear channel group of stations, for which he took an indefinite leave of NAB.

Newspapers recently employed radio-photo to carry an advertisement across the continent. Church & Dwight, Inc., (Arm and Hammer), of New York City, rushed an advertisement urging "Buy Baking Sode in the Original Container" to Pacific Coast newspapers as an investigation of a poisoned baking soda sale in bulk was under way by San Francisco officials.

The National Association of Broadcasters has just issued a complete transcript of the proceedings of its Thirtieth Annual Convention at Colorado Springs last July.

George Bijur, for the past year Director of Advertising and Sales Promotion of the Columbia Broadcasting System, who recently resigned to head his own organization specializing in advertising, publicity and sales promotion, will relinquish his present enterprise to become a Director and Vice-President of Fletcher & Ellis, Inc., well-known advertising agency. He will assume his new duties, in charge of the agency's creative departments, immediately.

X X X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL—Not for Publication

INDEX TO ISSUE OF DECEMBER 6, 1935.

No. 883

DELAY SEEN IN REALLOCATION OF RADIO FREQUENCIES

The Federal Communications Commission's public hearings on either a general or limited reallocation of broadcasting frequencies appear to be getting vague as the reopening of Congress draws closer.

While a few weeks ago members of the Commission were predicting an early inquiry into the whole broadcasting setup, now they are explaining that it may be several months before any definite action is taken.

Herbert L. Pettey, Secretary of the Commission, went so far as to express his personal opinion that the whole reallocation plan "is as dead as a dodo bird". He admitted that the FCC engineering staff would continue its studies, but he added that the regional shake-up proposed by the engineers is already practically pigeon-holed. The report on clear channels, while formerly scheduled to be submitted this month, may be delayed several months.

All this soft-pedaling of reallocation rumors has put Washington political observers to wondering whether there is any connection between the Commission's purposeful dilatoriness and the approaching 1936 presidential campaign.

Pettey, who handled the radio work for the Democratic National Committee in the 1932 campaign, has his ear close enough to the political ground to know whereof he speaks when he minimizes the prospect of an early shake-up in broadcasting allocations.

Anning S. Prall, Chairman of the Commission, has made several visits to the White House recently although he has intimated that the conversations with the White House had to do with the telephone inquiry rather than broadcasting.

The present Administration is well aware of its dependence upon broadcasting networks and stations for success in the 1936 campaign. While the stations are required by law to make their facilities available to all political parties on an equal basis, there are numerous methods by which the dominant party can get in extra broadcasts that do not appear strictly political if if retains the goodwill of the broadcasters.

The Commission has a legitimate excuse for delaying action on the engineering proposals because Lieut. Commdr. T.A.M. Craven became Chief Engineer on December 1 and obviously needs some time to study the recommendations sent forward by his predecessor, Dr. C. B. Jolliffe.

The FCC, by undue delay on the engineering proposals, is laying itself open, however, to attacks from at least two potent points. They are members of its own body and Congress.

Commissioner Irvin Stewart has already issued a blast against the policy of the FCC Broadcast Division by calling attention to the domination of the clear channels by the networks. And, while Chairman Prall was inclined to belittle the outburst on the ground that the FCC engineers have been studying the problem for months, Stewart knows that he has an excellent talking point that would appeal to any number of Congressmen.

Another member of the Commission who is a thorn in the flesh of the Broadcast Division is George Henry Payne, who has been making systematic attacks on the program standards of commercial stations in an obvious lure for support of the educators.

Whether the newly-formed Radio-Education Committee will be able to forestall his systematic campaign for reform by adoption of a modified program for greater utilization of broadcasting facilities by educational groups is conjectural.

The great hope of the Federal Communications Commission is that Congress will be so occupied with disposing of more urgent legislative matters in order to return home for an early reelection campaign that it will not have time to delve into the complicated problem of radio broadcasting.

By adhering to its vague plan of holding public hearings on reallocation proposals sometime in the early Spring, the Commission may be able to forestall any attacks from Capitol Hill at the next session.

Broadcasters, while puzzled somewhat by the undercover movements in the Commission, are taking no chance on losing their holdings.

The clear channel group of stations is hard at work mapping a defense so as to be prepared if and when hearings are called. J. C. McNary, consulting radio engineer, who has resigned from the National Association of Broadcasters, is representing these stations.

These and other stations are set to get in on the ground floor should the Commission decide to remove the restriction on power to 50,000 watts so that they may be among the first regularly licensed super-power outlets.

That decision, too, however, is likely to be delayed for several months.

X X X X X X X X X

RADIO CONTINUITIES DIMINISH ON SECOND FTC EXAMINATION

Less than three per cent of the radio continuities examined by the Special Board of Investigation of the Federal Trade Commission from July 1, 1934, to September 30, 1935, were finally held questionable enough to be submitted to the Commission for action.

Disturbed somewhat by the misleading interpretation placed on the FTC annual report, the Commission has released subsequent figures, not carried in the annual report, to show that only a small portion of the continuities laid aside for further examination were finally submitted for action.

As explained by Joe L. Baker, Assistant to the Chairman of the Commission, there were 52,621 continuities reviewed by the Board during the 14-months period.

Of this number 42,512 were laid aside for further investigation as being "possibly misleading". Upon second examination, however, it was found that only 1,347 were questionable enough for consideration by the full Commission.

Baker had no record showing final disposition of these cases, but it is presumed that at least some of them were dropped by the Commission itself. In many other instances the advertisers agreed to stipulations altering their form of continuities.

The Trade Commission reiterated its view that there has been a "general improvement" in the advertising in radio newspapers and magazines.

X X X X X X X X

IMMIGRATION BUREAU LATEST U. S. AGENCY TO EMPLOY RADIO

The United States Immigration Bureau is the latest Federal agency to employ radio in carrying out its duties. A 200-watt radio telephone transmitter has been installed at Detroit as an experiment. Messages are broadcast every half-hour to bureau cars and boats in the Detroit district.

Attaches of the border patrol said that the radio communication already has been instrumental in thwarting several illegal entries as well as liquor smuggling from Canada.

Similar equipment will be installed along the southern border and the remainder of the northern border as soon as money can be obtained, according to Col. D. W. MacCormack, U. S. Commissioner of Immigration.

X X X X X X X X

PRALL SAYS GOVERNMENT-OWNED RADIO WOULD KILL FREE SPEECH

Government ownership or operation of broadcasting stations would "point the way to the suppression of free speech", Anning S. Prall, Chairman of the Federal Communications Commission, said in an address December 5 at a radio luncheon of the New York City Downtown Athletic Club.

The FCC Chairman also praised commercial broadcasting stations for cooperating with the Commission in its efforts to raise program standards and forecast beneficial results from the newly-formed Radio-Education Committee.

"Proposals have been advanced for government ownership or operation of broadcasting in the United States", he said. "These propositions have grown out of the fact that in most other important nations radio is government controlled. It is my view that government-owned broadcasting has no place in our democratic form of government. To give any administration control of the air would possibly point the way to the suppression of free speech. In every other nation having government broadcasting, it has been found necessary to tax the people to defray the operating overhead. The enormous operating expense of American broadcasting on its present scale would greatly add to the general tax burden.

"Last Summer, President Roosevelt took occasion to comment on American broadcasting. Addressing himself to the nation's broadcasters coincident with their annual convention, he said,

"'I have previously expressed my very great faith in the American system of broadcasting. Recent events have increased rather than diminished that faith. Censorship has not, and cannot, invide the ether lanes. It is not the American way.'

"That, in my opinion, is a forthright expression from our Chief Executive as to his views on American broadcasting. I am in full accord with it.

"We have given much thought and consideration to the possibilities of education by radio. Two conferences, occupying several weeks' time, have been held by the Commission for the specific consideration of this subject, and we are contributing as far as possible to the complete development of a definite, practical and workable plan for the extension, expansion, and modernization of education by means of radio broadcasting. There is a fertile field for such modern methods in this direction, and the universal demand for a broader use of radio for educational purposes increases as time goes on and as modern mechanical improvements mark the progress of the possibilities of radio and make its application to greater educational uses possible.

"In order that a concrete, definite plan for education by radio may be developed, the Commission has appointed a

representative committee, composed of both educators and broadcasters, to study the educational question in full detail and report to the Commission. Dr. John W. Studebaker, United States Commissioner of Education, will serve as Chairman of this committee.

"Much of our time has been devoted to clearing the air of obnoxious programs. We are forever beset with complaints regarding the quality of programs, and I assure you the Commission is determined to improve the program standards of every broadcast station. Many unscrupulous broadcasters have permitted their stations to be used by high-powered salesmen to present fraudulent claims while advertising quack medicines, while others have indulged in fortune-telling, astrology, and lotteries, which have found many gullible victims because of misrepresentations made and over-statements presented in the broadcast. In these efforts the Commission, I am happy to say, has had the unqualified support and cooperation of the better class of stations throughout the country, and we believe we will soon have arrived at a point where such misrepresentations will be the exception rather than the rule and that the standards of broadcasting will have reached a degree of excellence to which we may point with pride."

X X X X X X X X X

CBS GETS NEW SHORT-WAVE LICENSE TO PREPARE FOR TELEVISION

Not to be caught napping when television and ultra short-wave broadcasting do definitely arrive, the Columbia Broadcasting System has obtained a permit from the Federal Communications Commission to operate a 50-watt experimental station atop its New York headquarters building.

The CBS explained in an official statement that the purpose of the station is to study distortion effects of extremely high frequencies, but it is believed that the network doesn't want the National Broadcasting Company to get ahead of it should television suddenly jump out of the experimental stage into the field of public entertainment.

The Radio Corporation of America has already made arrangements to start experiments with television from atop the Empire State Building early next year.

The CBS station is W2XDV and is operating on 35,600 kc. on a daily schedule from 5 to 10 P.M.

X X X X X X X X

NAB DIRECTORS TO MEET ON ASCAP PROBLEM IN N.Y. DEC. 9

With the music copyright situation becoming daily more confusing, the Board of Directors of the National Association of Broadcasters has been summoned by James W. Baldwin, Managing Director, for a meeting in New York City on Monday, December 9.

The decision to call the meeting followed a poll of Directors by telegraph which resulted in the sending of counter-acting telegrams of advice to stations members.

After the Directors had voted 10 to 9 favorably, Baldwin sent telegrams to member stations urging them to wire acceptance of the June 17 offer of the American Society of Composers, Authors and Publishers to Alfred J. McCosker, then Chairman of the Copyright Committee.

A short while later two Directors changed their votes and forced the Board to reverse its previous action as the vote changed from 10 to 9 for to 11 to 8 against the advice already dispatched to broadcasters. As a consequence subsequent telegrams were dispatched advising the stations to do nothing pending a full discussion of the matter and action by the Board.

The ASCAP offer of June 17 was to allow the licensed broadcasting stations and networks to renew their licenses for a 5-year period on the same terms of 5 per cent of gross receipts plus a sustaining fee.

So far neither ASCAP, with its smaller catalogue of music, nor Warner Brothers, with its four music publishing houses, has made an overture to the NAB regarding new schedules of rates for the divided musical compositions.

"Warner Bros. will make no move to treat with the independent stations until it has found out from NBC and CBS what the networks propose to do about taking out a license for the use of music controlled by the WB publishing firms starting Jan. 1", Variety says in its current issue.

"While Warner Bros. is awaiting the networks' response to an invitation to a conference and the indie station men are looking to the National Association of Broadcasters for guidance, directors of the Society are showing signs of having reconciled themselves to the permanency of the WB schism by talking about reducing expenses. It has already been suggested that the salaries paid Gene Buck and E. C. Mills, President and General Manager, respectively, be substantially clipped. Mills is getting $50,000 and Buck $35,000. Sentiment prevailing among the directors is that all of ASCAP's extra resources will be needed if it is decided to engage Warner Bros. in a legal showdown."

X X X X X X X X

RADIO-EDUCATION COMMITTEE FORMED; ANNOUNCEMENT IS WITHHELD

While the membership of the Radio-Education Committee is authoritatively reported to be complete, announcement of the personnel is being withheld pending a decision on the form of release by members of the Broadcast Division of the Federal Communications Commission.

The Committee, of which Dr. John W. Studebaker, U. S. Commissioner of Education, is Chairman, is expected to solve the problem of providing sufficient educational and cultural programs on broadcasting stations and networks to satisfy the educators and yet not encroach too much on the valuable time of the broadcasters.

Forty invitations were sent out several weeks ago by the FCC to educators and broadcasters over the country, and it is understood that most of them were accepted. In a few instances, however, notably Dr. Robert M. Hutchins, President of the University of Chicago, educators have asked to be relieved.

X X X X X X X X X X

CUBA CLEARS ETHER WAVES FOR BETTER RECEPTION FROM U. S.

Because of complaints from listeners that certain good foreign programs on long wave bands were being interfered with or shut out by local Cuban stations, the Directory of Radio of the Cuban Department of Communications has issued a decree which bars Cuban broadcasters from five frequencies.

The American stations which will benefit from this decree by better reception in Cuba, according to U. S. Consul W. N. Walmsley, Jr., of Havana, are:

WFLA, Clearwater, Fla.; WEAF, New York; WLW, Cincinnati; WGST, Atlanta, Ga., and KDKA, Pittsburgh. Station XEAI, Mexico, D.F., which operates on 1,090 kc., also benefits from the decree.

Consul Walmsley said that only one Cuban station, CMCX, which operated on 660 kc. with 150 watts, was directly affected by the decree.

The new law requires that stations in any one province cannot broadcast simultaneously on frequencies less than 29 kilocycles apart as compared to the 10-kilocycle separation enforced in this country.

X X X X X X X X X X

CANADIAN MANUFACTURERS GIVE HINTS ON IMPROVING RECEPTION

"Improving Your Broadcast Reception" is the subject of an address to be delivered under the auspices of the Canadian Radio Manufacturers' Association at 10:30 P.M., EST, on Tuesday, December 10, over the Canadian Broadcasting System's national network.

The program may be heard over long-wave stations, CKOC, Hamilton, Ont. (1,120 kc.), CRCO, Ottawa (1,210 kc.), or CRCT, Toronto (840 kc.) or short-wave stations CRCX, Toronto, (6,090 kc.) or CJRO (6,150 kc.) and CJRX (11,720 kc.), Winnipeg.

X X X X X X X X

PETTEY NON-COMMITAL ON RUMOR HE MAY AID FARLEY IN '36

Herbert L. Pettey, Secretary of the Federal Communications Commission, thinks it's too early to determine whether he will return to the Democratic National Committee to take charge or radio broadcasts during the 1936 campaign.

In answer to rumors to this effect he said that he had not been invited to resume the job yet, but he intimated he would be willing to when asked.

It was because of Pettey's work in conjunction with radio stations and networks in the 1932 campaign that he was given the job of Secretary of the FCC.

X X X X X X X X

NEW SANTA ROSA (CAL.) STATION RECOMMENDED BY EXAMINER

A permit for construction of a new broadcasting station at Santa Rosa, Cal., to operate on 1,310 kc. with 100 watts power and unlimited time, was recommended for granting by Examiner Ralph L. Walker to the Federal Communications Commission this week. The application was filed by Arthur Westlund and Jules Cohn, both young men and residents of Oakland, Cal. There is no station now nearer than Eureka, 177 miles from Santa Rose, outside of San Francisco, 55 miles away, and Sacramento.

Denial of the application of William S. Thellman, of New Castle, Pa., for a construction permit to operate on 1420 kc. with 100 watts daytime, was recommended by Examiner Melvin H. Dalberg.

An increase in nighttime power from 500 watts to 1 KW was recommended for WGST, Atlanta, Ga., by Examiner P. W. Seward. Paul D. P. Spearman, a former counsel of the Federal Communications Commission, appeared for the applicant.

X X X X X X X X

U. S. MAKERS SELL HALF OF SETS BOUGHT IN EGYPT

United States makes accounted for half of the radio receiving sets imported into Egypt in the first eight months of this year, a report to the Commerce Department from its commercial attache at Cairo shows. During the corresponding period of 1934, the share of the United States was recorded at 57 per cent.

By far the best selling radio receiving set in Egypt is the Philips, a Dutch product, according to the report. This one make, it is pointed out, accounted for 30 per cent of total radio imports into the market in the January-September period of 1935, which compares with 20 per cent in the similar period of last year.

The success of the Philips radio in the Egyptian market, the report states, is chiefly due to the fact that it maintains its own organization in the country and is able to allow extensive credit facilities to its dealers who in turn grant liberal credit terms to their customers. Dealers receive the sets from the local Philips organization on a consignment basis and pay for them with drafts received from customers. This method, it is pointed out, naturally induces local dealers to give preference to Philips over American or European radios, which usually require cash terms.

Almost all the most important American manufacturers are represented in Egypt and one of them is following the method employed by Philips but to a much lesser extent in securing the largest percentage of sales, the report states.

X X X X X X X X X X

PAYNE TO DELIVER 4TH BLAST DEC. 16 AT SYRACUSE UNIVERSITY

Federal Communications Commissioner George Henry Payne, who has already assailed commercial broadcasting, radio programs, and the past record of the old Federal Radio Commission in three speeches at educational institutions, will deliver his fourth blast on December 16 at Syracuse University.

Following this address, Commissioner Payne is expected to set forth his proposed remedies, which include a definite allotment of time for educational and cultural programs on all stations and fixed adoption of fixed program standards by the FCC for measurement of station applicants for new facilities or license renewals.

X X X X X X X X

INDUSTRY NOTES

Trial of the Fred Waring suit against WDAS, Philadelphia, for unauthorized broadcasting of his phonograph records was postponed from December 5 to the week of December 12 before Judge Harry S. McDevitt in Common Pleas Court.

The American Olympic Committee is reported looking for a sponsor to broadcast try-outs in the United States. Both NBC and CBS have made arrangements to pick up the international contests from Berlin next year.

E. P. H. James, Advertising and Sales Promotion Manager of NBC, reports that the NBC has been forced to change its rate card to include WOOD, Grand Rapids, Mich., in the EST time zone. The confusion arose from the fact that the Interstate Commerce Commission lists the State of Michigan, with the exception of Detroit, in the Central Standard Time Zone, while the residents of Michigan observe the EST schedule.

The Milwaukee Journal has started a series of neighborhood demonstrations of facsimile broadcasting and reception from its short-wave transmitter, W9XAG, on the roof of the Hotel Schroeder.

A radio interference eliminator is now standard equipment on a food mixer manufactured by the Hamilton Beach Co., Racine, Wis.

X X X X X X X X X

BROADER SOUTH AMERICAN MARKET SEEN IN I. T. & T. TESTS

"Practically the entire South American continent may be made available to American manufacturers for network broadcasting as the result of a series of experiments which the International Telephone and Telegraph Co. proposed to undertake shortly after the first of the year", according to Variety.

"The purpose of the tests will be to determine what stations in the various S. A. countries can be hooked up by a shortwave signal emanating from Buenos Aires, Argentine. Behind the South American network idea is the Conquest Alliance Co. an American firm specializing in foreign station representation.

"By directing the shortwave signal northwest by southeast I. T. & T. engineers believe they will be able to reach every country but Chile from a transmitter in Buenos Aires. It would then be up to the stations designated by the commercial as composing its network to pick up these programs and rebroadcast them by long wave. Through this directional wave the engineers anticipate no difficulty in covering all of Argentine, Brazil, Bolivia, Peru, Uruguay, Ecuador, Paraguay, Columbia and Venezuela, Omission of Chile is not looked on by Conquest as important enough to warrant arranging for an individual relay. Station time in that country now sells for an average of $2.50 a quarter hour.

"As Conquest has it figured out, an advertiser could have one of these all-continental hookups on the basis of an hour a week for an annual cost of $30,000. This would cover all station time plus the toll for short-wave transmission."

X X X X X X X X

APPLICATIONS GRANTED BY FCC BROADCAST DIVISION

KABR, Aberdeen Broadcast. Co., Aberdeen, S. Dak., CP to make changes in antenna and move transmitter locally; KRLH, Clarence Scharbauer, Midland, Tex., Mod. of CP approving antenna frequency monitor and transmitter site, and make changes in eqpt; WTAL, Florida Capitol Broadcasters, Inc., Tallahasse, Fla., license to cover CP, 1310 kc., 100 w. unltd; WFBR, The Baltimore Radio Show, Inc., Baltimore, Md., license to cover CP for auxiliary transmitter; KDON, Richard Field Lewis, Del Monte, Cal., license to cover CP as modified, 1210 kc., 100 watts, unltd; WPAD, Paducah Brdcstg. Co., Inc., Paducah, Ky., license to cover CP to move transmitter, 1420 kc., 100 w., night, 250 w. day, unltd; WNAX, The House of Gurney, Inc., Yankton, S. Dak., authority to determine operating power by direct measurement of antenna; WTAQ, WHBY, Inc., Green Bay, Wis., Mod. of CP to make changes in eqpt. and extend commencement date to 30 days after grant and completion date to 180 days thereafter.

KWTO, KGBX, Inc., Springfield, Mo., Mod. of Lic. to change name of station from KGBX, Inc., to Ozarks Broadcasting Co.; KRKD, Radio Broadcasters, Inc., Los Angeles, Cal., license to cover CP modified to make changes in eqpt. and increase power, 1120 kc., 500 w. night, 2½ KW day, S-KFSG; WPTF, WPTF Radio Co., Raleigh, N. C., CP to move auxiliary transmitter from Raleigh to Cary, N. C.; WFBR, The Baltimore Radio Show, Inc., Baltimore, Md., CP to make changes in auxiliary equipment and increase power of aux. eqpt. from 250 watts to 500 watts; WIL, Missouri Brdcstg Corp. St.Louis, Mo., CP authorizing installation of new equipment; NEW, Memphis Commercial Appeal, Inc., CP (B/c Pickup Service), freqs. 31100, 34600, 37600, 40600 kc., 5 watts; New, Bamberger Brdcstg. Serv. Inc., Newark, N.J., CP (Exp. Gen. Exp. Misc. Serv), freqs. 31600, 35600, 38600 and 41000 kcs., 1 KW; New, General Electric Co., Portable-Mobile Schenectady) CP (Exp. Gen. Exp.) freqs. 31100, 34600, 37600, 40600 kc., 15 watts.

X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF DECEMBER 10, 1935

No. 884

December 10, 1935.

RADIO INDUSTRY KEEPS HANDS OFF IN BUSINESS-BERRY ROW

Both of the major branches of the radio industry - the broadcasters and the manufacturers - kept hands off December 9 as business leaders from varied industries engaged in a row with Maj. George L. Berry, coordinator for industrial cooperation, in a meeting in Washington.

Bond Geddes, Executive Vice-President of the Radio Manufacturers' Association, attended the morning session as a spectator but made it clear that his organization was taking no part in the move to revive a substitute for the NRA.

The National Association of Broadcasters had formally refused to participate and James W. Baldwin, its Managing Director, was not even present as a spectator because he was attending a Directors' meeting in New York City.

Washington correspondents covering the all-day session generally agreed that a majority of the business men attending had declined to cooperate in the formation of an industrial council to outline future policies. Labor organizations, however, seemed inclined to aid Major Berry.

In a radio speech following the turbulent meetings at which the lie was passed, Major Berry stated that he intended to go ahead with the idea of forming an industrial council despite the opposition of most organized industries.

On an elaborate chart which set forth the meeting places of representatives from various industries, radio was scheduled to meet at a room in the Shoreham Hotel. So far as could be learned, however, no one showed up for the conference, further emphasizing radio's lack of interest in the undertaking.

X X X X X X X X X

ST. LOUIS COMMITTEE FAILS TO REPORT ON AUTO RADIO BAN

Adding credence to the belief that the ban on auto radios proposed by the St. Louis Police Commissioner, Maj. A. J. Lambert, has been pigeon-holed, the Public Safety Committee of the Board of Aldermen failed to make a report at a fortnightly meeting of the City Council on December 6.

While a report may be forthcoming later, Bond Geddes, Executive Vice-President of the Radio Manufacturers' Association, who led the fight against the proposed ordinance, expressed the belief that the ban will never be ordered.

X X X X X X X X X

EXCISE TAXES, LABOR REPORT REFLECT PROSPERITY OF RADIO

An increase of 129 per cent in the radio excise taxes collected by the Internal Revenue Bureau and a rise of 19.2 per cent in radio factory employment reflect the prosperity the radio manufacturing industry is now enjoying.

During October, according to the latest official report of the Internal Revenue Bureau of collections of the 5 per cent excise tax on radio and phonograph apparatus, radio manufacturers paid $643,440.02 as compared with $280,699.11 during October, 1934. This did not include excise taxes on automobile radio which are not separately reported and are included among automobile accessories taxable at 2 per cent. For the ten months' period ending October, 1935, the total excise taxes collected on radio and phonograph apparatus were $3,134,941.04, compared with $2,490,099.01 during the same ten months of 1934, an increase of 25.9 per cent.

The September report of the Labor Department shows an increase of 19.2 per cent in radio factory employment over August and, although seasonal, it evidences the large annual increase in radio employment, payrolls and production.

The 19.2 per cent increase is comparable with an increase of only 15.9 per cent over radio employment during September, 1934. During September there was an increase of 154.9 in employment over the official three-year average of 1923.25.

X X X X X X X X X X

PROGRAMS BROADCAST IN 29 LANGUAGES IN U. S.

Although the United States can't compare with Europe as a Babel of Tongues, radio programs are broadcast in 29 languages in this country, preliminary results of a survey being made by the Conquest Alliance Company show. The data are being obtained from querying stations.

Italian is the leading foreign language indicated in the returns, with German, and Spanish next. These three, with French, are the foreign tongues most broadcast. The number of languages, as well as some of them, were quite surprising, those taking in such as Icelandic, Croatian, Welsh and Athenian. Others were Polish, Lithuanian, Russian, Yiddish, Norweigian, Swedish, Serbian, Danish, Hungarian, Greek, Slovak, Bohemian, Portuguese, Ukrainian, Dutch, Syrian, Finnish, Mexican, Hebrew, Scandinavian and Austrian.

X X X X X X X X X X

NEWSPAPER ORGAN RAPS PUBLISHERS FOR ATTITUDE ON RADIO

Predicting the day when the radio broadcasting industry will be dominated by newspaper interests, Newsdom, a newspaper published for newspapers, in its current issue devotes much space to criticizing the attitude of many publishers who still fight radio as a rival in the fields of news and advertising.

"Today the publishers of the country represent the largest single group of radio station owners", the paper states, "and it is only a matter of time when the radio industry will be dominated by the newspaper interests."

Newsdom denies the contention of anti-radio publishers that the broadcasting of news cuts into the circulation of newspapers.

"Despite the claims of those who maintain that newspaper circulation has suffered because of news broadcasting, figures compiled by Newsdom conclusively show that these claims are without foundation", it states.

"In all but a few isolated cases newspapers increased their circulation during the year. And this in the face of the so-called radio threat advanced by those publishers who refuse to admit that benefits are derived from radio.

"The broadcasting of news has been a stimulus to the circulation departments of practically all the newspapers. Tremendous circulation gains were obtained as the result of the radio flashes of the Roger-Post crash. The increase in the circulation on the day of the catastrophe ranged from 25 to 35 per cent - a feat impossible with all the extra boys in the world on the streets."

The publication also carries signed storied by H. V. Kaltenborn, news commentator, and James Stewart, a staff writer, praising the manner of news broadcasts.

"Radio news broadcasting is kept clean, impartial and above all is kept exceedingly accurate" Stewart writes.

"Publishers and editors communicating with Newsdom in the past few months have been either misinformed or have obtained false impressions of the radiocast of news."

Kaltenborn, in recalling that he predicted two years ago that the Press-Radio Bureau would fail, forecasts that it will be "either completely transformed or abandoned" when it comes up again for renewal next Spring.

"Radio provides the press with a new and larger opportunity to stimulate cumulative interest", he said. "Has broadcasting football games reduced gate receipts? Has newspaper

circulation declined since broadcasting began? Radio advertising has had an enormous pickup from December, 1934, to December, 1935. Has newspaper advertising lineage failed to keep pace? Of course not.

"Smart publishers use radio instead of ignoring or fighting the broadcasters. They serve their readers by publishing news about radio programs and personalities. They serve themselves by persuading radio stations to give them time on the air.

"Every publisher can easily develop one or more daily radio programs which will both appeal to listeners and advertise his newspaper. He does not need to own the station. He need only realize the community of interest between the local station and the local newspaper."

X X X X X X X X

CHILE ABSORBS MANY U.S. RADIO SETS DURING THE DEPRESSION

When the depression kept down radio receiver sales in this country a year or so ago, Chile proved an excellent market for American manufacturers, Consul R. S. McNiece, stationed at Valparaiso, reported to the Department of Commerce.

Total imports of radio receiving sets into Chile during 1934 amounted to 189,984 kilograms valued at $477,350. In the first nine months of 1935 imports totaled 157,028 kilograms valued at $392,888. These latter figures record an average monthly importation of 17,447 kilograms and if imports are continued on the same scale during the remainder of the year, the total imports for 1935 will exceed those of the preceding year, the report states.

Approximately 95 per cent of the radios imported into Chile are of United States origin.

There is reason to believe, the Consul said, that the Chilean market for radios has nearly reached the saturation point and it is likely that in the future there will be a leveling off of the demand.

The strong demand of the past two years is noteworthy when consideration is given to the fact that the population of the country is only four and one-half million and that the depreciation of the currency has made imported articles unusually expensive in terms of pesos, the report states.

X X X X X X X X X

NO GREAT BENEFITS SEEN FOR RADIO IN CANADIAN-U.S. TREATY

The United States radio industry is not likely to benefit greatly from the new reciprocal trade treaty between this country and Canada, according to opinions received from both American and Canadian manufacturers by Bond Geddes, Executive Vice-President of the Radio Manufacturers' Association.

American parts and accessory manufacturers and, to some extent, tube makers, promise to be the principal beneficiaries, according to information obtained by Geddes.

"Radio tariffs in the new treaty will be reduced about one-sixth", said Mr. Geddes, "and additional reduction will be effected by the promised modification by Canada of the arbitrary valuation plan heretofore in effect. However, neither American nor Canadian manufacturers regard the new treaty as a material benefit to American manufacturers.

"The treaty provides a reduction in Canadian import rates from 30 per cent to 25 per cent ad valorem, or about one-sixth, on 'electric wireless or radio apparatus and parts.'

"The one-sixth reduction in the Canadian tariff on radio sets is not expected to materially increase American set sales in Canada. The Canadian set manufacturers are well protected by their radio patent license organization. Licenses of American manufacturers do not provide for sales in Canada, where set manufacturers must secure separate Canadian licenses. Several American manufacturers have virtually Canadian branch factories and these, together with Canadian set manufactures, will be benefited by their ability, under the new treaty, to secure cheaper American parts and accessories. The reduced tariff on American radio parts and accessories, therefore, promises to be the principal result of the new treaty so far as the American industry is concerned."

X X X X X X X X X X

SARNOFF SEES NO TELEVISION FOR PUBLIC EARLIER THAN 1940

Despite reports of notable progress in television experiments and the optimistic predictions of Philo T. Farnsworth, Philadelphia inventor, and others, David Sarnoff, President of the Radio Corporation of America sticks to his story of last Spring that visual broadcasting for public consumption is still a few years off.

Mr. Sarnoff is being widely quoted in the press, which apparently is eager to delay television as long as possible, fearing another rival in the fields of news and advertising.

The New York Times and the North American Newspaper Alliance on December 9 carried a copyrighted interview with the RCA President in which he predicted the arrival of television within five years but not much before 1940.

"Television is now in about the stage that sound-broadcasting was when we were still using earphones instead of loud-speakers", Sarnoff is quoted by the NANA.

The newspapers' newspaper, Newsdom, states in its current issue that its "investigators" have attended all sorts of television demonstrations during the last year "and examination of their reports disclose that the most sane statements have come from David Sarnoff, President of the Radio Corporation of America."

Owen P. White, writing in the November 30th issue of Colliers, adduces from an interview with Sarnoff "that it will probably be quite a while yet before a television set that is of real value to the public is on the market". He quotes Sarnoff as saying:

"In the laboratory sense television is here, but as a system for the transmission of pictures, it is not here, nor is it around the corner."

A similar view was expressed by Sarnoff as early as May 7, 1935, in a report to his stockholders. At that time he also emphasized that television, when it does arrive, will not supplant sound broadcasting but rather supplement it.

Nevertheless, RCA, along with other radio manufacturers, is going ahead with its experiments in television and plans to launch new experiments from a station atop the Empire State Building early next year.

The RCA is also on the ground floor in its request for permission to experiment with visual broadcasting on the coaxial cable as soon as the Federal Communications Commission decides how this new development of the Bell Laboratories is to be regulated.

X X X X X X X X

GERMAN STATIONS USE RECORDED PROGRAMS EXTENSIVELY

Radio programs of a mechanical nature, or recorded programs as they are called in this country, are used extensively in Germany, a report to the Commerce Department from its Berlin office states.

The three main systems used for sound recording for radio broadcast purposes are: (1) reproduction on records,

(2) reproduction on sound films, and (3) reproduction on magnetized steel ribbon. All three systems are in constant use and, although they vary in performance, each one seems admirably fitted for certain distinct purposes.

In all of these systems, German radio authorities have been working to develop the greatest possible reliability of service, the smallest possible distortion, the greatest possible clearance of strays, and the longest possible duration of playing time. Technicians are keeping a very careful check on the efficiency of the various types of recording, the report states.

X X X X X X X X

CURTAILMENT OF CANADIAN RADIO COMMISSION SEEN

Restriction of the powers of the Canadian Radio Commission, if not its abolishment, and the slackening of present curtailments on radio advertising, are predicted by a Canadian correspondent.

The new Canadian government, the correspondent says, is considering the whole problem of broadcasting. One of the proposals studied is the levying of a stamp tax on radio tubes instead of the present $2 license fee on receiving sets.

"Abolition of the Canadian Radio Commission, or at least the splitting of this Federal-appointed body's functions, is being pressed by Canadian national advertisers as well as those whose parent companies are in the United States", the correspondent states. "Claim is that the majority of stations have an absolute monopoly of the air in their own area, that the three line companies controlling means of transmitting programs are charging exorbitant rates, and that station and line rates must be lowered.* * *Proposal is to allow the Canadian Radio Commission, if it must stay in existence, to remain a regulating body insofar as supervising rules under which stations operate, keeping the ether clear of interference, and aligning wavelengths that will give Canadian listeners comprehensive coverage.

"Belief of the previous administration that advertising was obnoxious in a policy of nationalized radio and should be prohibited to the extent that radio revenue should be just such as to operate the government stations after taking the $1,500,000 license-fee revenue into consideration, is supplanted by the new government's attitude that added radio revenue is needed from commercial sources and that present restrictions must bemade more reasonable."

X X X X X X X X

ARCTURUS INTRODUCES METAL TUBE LINE

The Arcturus Radio Tube Company, Newark, N. J., announces its "Coronet" Metal Tube line, utilizing a new and exclusive principle in receiving tube structure. It is claimed that the "Coronet" seal in these tubes enables the application of the manufacturing technique perfected by the industry over the past 28 years.

"By using the tried and proved advantages of the vacuum tube art in the manufacture of "Coronet" metal tubes, the inherent weaknesses of the original metal tube are overcome," a statement from the Arcturus Company goes on. "This special construction also results in a material reduction of the input and output capacities and makes possible uniformity in inter-element capacities. A special process has been developed to permit proper bombardment of the inner elements to the temperature necessary to dispense with residual gas troubles. The 'Coronet' seal also precludes the possibility of shorts between wires and ground.

"In addition to the foregoing advantages of Arcturus 'Coronet' metal tubes, the manufacturer claims that they have more dependable vacuum than the original metal tube; lower operating temperatures permitting closer arrangement of chassis components; rugged structure eliminating metallic sleighbells and resulting in quiet operation.

"The types already in production are 5Z4, 6A8, 6C5, 6F5, 6F6, 6H6, 6J7, 6K7 and 6L7."

X X X X X X X X X X

CBS SPONSORS RUN THROUGH ALPHABET IN NOVEL ADVERTISEMENT

Reproducing an advertisement that will appear in the January issue of Fortune, the Columbia Broadcasting System has sent out a huge folder listing its sponsors in alphabet fashion, together with their length of sponsorships, etc.

On the back of the folder CBS asks and answers "Six fundamental questions about radio". They are: "Just how big must a network advertiser be?", "Can radio sell this and that?", "What about radio in the daytime?", "And radio the year-round?", "Ah, and what about mortality?", "Choice of networks?"

The novel advertisement was prepared under the direction of Victor M. Ratner, Advertising and Sales Promotion Department.

X X X X X X X X X X

INDUSTRY NOTES

Holding that libel per se was indicated in the complaint, Superior Judge J. T. B. Warne on December 5 overruled a motion for a judgment on the pleadings in the $500,000 action brought by KNX against the Los Angeles Times and ordered the trial to proceed. The action grows out of a bitter Press-Radio war of a year and a half ago, when KNX was criticized in a Times editorial for refusing to subscribe to the Press-Radio Bureau service, taking Transradio instead.

The application of the Shenandoah Valley Broadcasting Corporation, Harrisonburg, Pa., to transfer control from Marion K. Gilliam to Ralph C. Powell was returned by the Federal Communications Commission on December 7 at the request of counsel for the applicants.

The Federal Trade Commission announces that John P. Winnecour, of Chicago, trading as Economy Tire and Radio Co., has agreed to stop selling radio sets marked "Victor" in any way to deceive buyers into believing that the products so marked are the output of the RCA-Victor Manufacturing Co., of Camden, N. J.

Noting that the firm of E. Katz, newspaper representative, is "making a bid for the radio sales representation", Variety says: "It has caused a flurry among the other newspaper reps and they are hurriedly calling special meetings to decide whether or not to follow the lead of the Katz organization in the radio rep invasion."

The December 14th issue of Editor & Publisher will be devoted to the topic of discussion, radio and the press. Among the subjects to be covered are:

"What, and why, is the value of news as a radio commodity?", "With 20 daily papers applying for stations - and more coming - what will be the result of legislative efforts to divorce the press from radio?", "Whose idea was governmental radio control - where is it heading?", "What are the chief values of a broadcasting station as a newspaper department?" "Radio's big 1935 boom", "Air aims of the chain newspapers", "Pioneering in high frequency", "New ways to disseminate news without the rotary press", "What will the 1936 session of Congress do on communications questions?"

Sales of automobile radios have passed the million mark for the first time and will probably reach a total of 1,100,000 for the year, according to an estimate to be published in the forthcoming December issue of Radio Retailing. This compares with a total of 780,000 sets sold last year.

According to the same authority the total retail value of auto radio sets sold this year will exceed $53,000,000, while the total retail billings for auto radios in 1934, including tubes, was $32,500,000 indicating a gain of 64 per cent in retail billings this year.

X X X X X X X X X X

RADIO WAVES POP CORN IN G. E. EXHIBITION

Mystifying tricks and novelties with light, sound, electricity and radio were shown last week at a preview of the House of Magic in the General Electric Building, New York City.

The demonstrations, accompanied by non-technical descriptions by William A. Gluesing of the General Electric Company, were similar to those shown at the Century of Progress in Chicago and at the San Diego Exposition.

Some of the demonstrations, looking like magic, but actually the result of scientific research, showed how corn could be popped by the use of radio waves generating a high heat yet failing to warm the vessel containing the popcorn; how stroboscope light makes rapidly moving objects appear to stand still and how the "electric eye" transfers the music of a phonograph record from one talking machine to another by projecting it over a beam of light across the stage.

X X X X X X X X X X

RADIO DEVICE SEES THROUGH FOG AT SEA

Two French engineers have constructed and perfected a device by the means of which obstacles at sea can be detected in fog or darkness. This device is based on the principle of the reflection of radioelectric waves. It is placed forward on the ship and by a rotation movement covers the space ahead within a fairly wide angle.

The experiments made on board the S.S. "Normandie" have been fully satisfactory. The apparatus is so sensitive that even an obstacle as small as a fishing boat was detected within a radio of 3 kilometers and a buoy at 1,500 meters.

X X X X X X X X

NEW PROGRESS IN CONQUEST OF RADIO FADING SEEN

Evidence of new progress in the conquest of radio fading, one of the principal obstacles in effective short-wave communication, is presented in the current issue of Science by Dr. Harry Rowe Mimno of Cruft Laboratory, Harvard University.

Supporting the evidence presented recently by Dr. J. H. Dellinger, Chief of the Radio Section of the U. S. Bureau of Standards that fading periods are predictable on the basis of the rotation periods of the sun and that sharp fading cycles of fifteen minutes duration occur at intervals of two periods of the sun's rotation (fifty-four days) - Dr. Mimno went a step further by presenting records tending toshow that the fading cycle noted by Dr. Dellinger occurs regularly every sun rotation of twenty-seven days.

Dr. Dellinger recently gathered data with which he accurately predicted the recurrance of a fifteen-minutes period of strong fading that came on Oct. 24. He deduced this from the fact that other disturbances appeared on March 20, May 12, July 6, and Aug. 30. The peak of the fading occurs in daylight on the illuminated side of the globe.

Dr. Mimno, in Science, asserts that continuous automatic records of short-wave reception are indispensable to the exhaustive study of the phenomenon. Dr. Dellinger's theories, he said, are in general supported by records made in 1933 of radio echoes reflected from the ionosphere. He says it is unfortunate that no continuous automatic records could be obtained during the 1935 period, covered by Dr. Dellinger's report.

"During the past sixteen months the Federal Communications Commission has repeatedly postponed the rephrasing of certain obsolete regulations limiting the use of automatic apparatus which effectively block the continuation of fundamental research", Dr. Mimno writes. "The Commission freely admits that the ancient clause in the regulations has no engineering justification whatever when extended to our new experiments, and has therefore repeatedly promised remedial action. Already an important part of the sun-spot cycle has been completely lost by governmental decree.

"At the peak of the disturbance, transmission conditions are changing so rapidly that it is difficult to imagine that any long-distance short-wave communication could be successful, though the interruptions might be so brief that they would escape casual observation.

"Until the apparent double period of 54 days, indicated by Dr. Dellinger's 1935 communication records, is further substantiated, we prefer to consider that it is somewhat fortuitous and that brief intervening disturbances at the 27-day points may have escaped observation. In any case, it is probable that the 1935 'storm' has lasted about as long as it is likely to endure, and that further extensions of the sequence of dates need not be expected."

X X X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF DECEMBER 13, 1935

No. 885

U. S. EXPERT SEES MARVELS IN THE WAKE OF TELEVISION

A preview of what may follow in the wake of television was given by Andrew W. Cruse, Chief of the Electrical Division of the U. S. Bureau of Foreign and Domestic Commerce, in an address December 12 before the combined engineering societies of Schenectady, N. Y.

Among the possibilities he outlined are:

Elimination of noise by "sound conditioning" of dwellings, factories, hospitals, and public buildings.

Transmission of celestial scenes picked up by giant telescopes at widely divergent points, thus greatly aiding astronomical studies.

Utilization of television high speed transmission by communications companies.

Military and naval observation service, immediate transmission to headquarters of war scenes photographed from airplanes, and the silencing of gun fire.

Facilitation of under-water salvage operations with the assistance of illumination strong enough to permit a rapid search of the sea floor without endangering the lives of human divers.

Cruse suggested that "sound conditioning" of dwellings "may some day become as common as air conditioning through the simple expediant of placing microphones around the room, each feeding into an amplifier and thereby immediately producing a sound track on the retina of an iconoscope which as scanned would actuate an oscillator in such a fashion as to produce an out-of-phase frequency on the same level dampening the original actuating sound or noise frequency.

"Think that one over", he said, "and perhaps with development we may be able to secure zero sound level - a silence so profound you could not hear a pin drop! What an accomplishment that would be. Silent machinery without sacrificing mechanical efficiency - silent hospital rooms with windows open, silent gun fire, and I might even go so far as to say silent conference rooms and silent lecture halls.'"

Astronomy may benefit greatly from the development of television, he said, because of the possibility of viewing the current aspects of heavenly bodies, not only as shown by modern telescopes, but with the binocular effect resulting from the

simultaneous use of two telescopes which might be situated as much as a thousand miles apart. It would enable astronomers to study to better advantage heavenly events such as eclipses. This would also enable astronomers to gather for observation and analysis occurrences that now can be viewed from only a small portion of the earth.

The benefits of television to communications companies, Cruse pointed out, lie in the possibilities for speedier transmission. Since laboratories can now handle 60 complete pictures per second and a message could be sent complete in one picture, the 3,600 pictures a minute would greatly outstrip the present transmission speed.

Defensive use of television by armies in the field was described as being particularly helpful in revealing weak points in the offensive maneuvers. Under the plan, television "camera's" or iconoscopes would be concealed along the line of retreat and convey by wire to headquarters or to a radio transmitter for broadcasting to headquarters, actual pictures of what might be happening to the rear of retiring troops. Observation planes could fly at higher altitudes in greater safety if the observations were made by means of iconoscopes trailed far below, viewing the ground for radio transmission to tactical headquarters.

The under-water salvage operations phase suggests, he said, the possibility of scanning the bottom of the sea as the salvage ship steams on at high speed, thereby increasing vastly the territory that can be covered in search of wrecks. The service also would facilitate the exploration of new discoveries.

Quieting the fears of Hollywood that television might put the movies out of business, Mr. Cruse predicted that the new visual art would "make the motion picture industry a bigger and better industry than it has ever in its wildest dreams hoped to be."

He pointed out that the total of output and imports of films for the U.S. constitute just enough for a few hours daily entertainment. He said that at the present stage of development, television does not respond to the social purposes for which people attend the movies, but that it offers possibilities for greatly increasing theatre patronage. The necessity for perfect performance of television artists, in contrast to the retake possibilities in the motion picture industry will require the development of a higher type of talent, he added, which will result in the increase of more first class performers for the motion picture screen.

Recalling his tour of England, Germany, France, and Holland last Summer to study European television first hand, Mr. Cruse expressed confidence in the "ability of our engineers to keep this country fully abreast of other countries in this field."

In England he found work proceeding on two high definition television transmitters to be installed in Alexandra Palace, London, and scheduled to begin transmissions next March. British Post Office officials revealed ultimate plans for the erection of twelve visual broadcasting transmitters to cover the principal population centers of Great Britain. Four of five of these, they said, will be in service by the end if 1937.

"The confidence and optimism of the prospective manufacturers of television receivers is reflected in their estimate that 50,000 of these sets will be in service at the end of 1936 and from five to ten times that many more by the end of 1937", he said.

Mr. Cruse noted significantly the transfer of television experiments from the German-owned broadcasting system to the German War Ministry. The transfer "undoubtedly would not have been accomplished", he declared, "if it were not the purpose of the German government to recognize and utilize television as a very important branch of aviation, particularly military aviation."

The original German television plan called for construction of twenty-five 20 KW ultra short-wave transmitters, which will cover all of Germany.

France is striving to catch up with England and Germany in television experiments and is now working on a 10 KW transmitter for the Eiffel Tower. It is scheduled for service by March, 1936. Research is being carried on also in Russia, Italy, and Japan.

"The question which I am most frequently asked is, 'When are we going to see television over here?'" Mr. Cruse concluded. "Approximately 27 experimental television transmitters have already been licensed by the Federal Communications Commission, but I think it will be some time before we can hope to parallel our present broadcasting networks with a similar network of visual transmitters. Work is progressing rapidly, however, and I believe that within the next twelve months we may see experimental television transmissions on a fairly large scale in at least one of our centers of population.

"Television on a commercial scale - serving millions of people in all or most, of our large population centers will not, I am sure, materialize within five years. In this connection I think that within the very near future this new television industry of ours - which will probably become known as the Sixth Estate - will have to do something with regard to a program of standardization in order that the pioneer observers will be given some assurance that their receiving sets will not become obsolete before they get them out of the packing cases in which they are delivered."

X X X X X X X X

ASCAP ADVISES USE OF W-B MUSIC; BROADCASTERS MAY DROP IT

With the Directors of the National Association of Broadcasters in recess until Monday, December 16, awaiting developments in the muddled music copyright situation, broadcasters were admittedly in a dilemma as January 1st approaches with the scheduled withdrawal of the Warner Brothers' music publishers from the American Society of Composers, Authors, and Publishers.

Members of the NAB, it was learned from a reliable source, are disposed to stop using all Warner Brothers' music after January 1st despite advice from E. C. Mills, General Manager of ASCAP, that any broadcaster holding a contract with ASCAP will be entitled to continue using the W-B compositions.

After two days' session, Monday and Tuesday, the NAB Directors left a delegation in New York City to continue conferences and to await developments. This delegation comprised Arthur Church, of KMBC; H. K. Carpenter, WHK; Joe Maland, WHO; Ed Allen, WPHR, and ex-officio members, James W. Baldwin, Managing Director of NAB, and Leo Fitzpatrick, Chairman of the Copyright Committee.

The delegation called on Mr. Mills last Tuesday and then reported back to the Board. ASCAP takes the position, it was authoritatively reported, not only that Warner Brothers cannot legally withdraw from the Society, but that many of its composers are under life contracts with ASCAP.

Mr. Mills also is understood to have told the Directors that ASCAP controls 1,200,000 musical compositions and has 1,000 new ones coming in daily, whereas Warner Brothers holds but 25,000 titles.

Considerable litigation appears almost inevitable at this stage, but broadcasters are reported to be obtaining the list of W-B controlled music so as to avoid using it after January 1st and thereby evade any possible damage suits. A reliable informant predicted that few, if any, will sign separate W-B contracts.

The Columbia Broadcasting System, it was learned, is already making up its advance sustaining recordings without W-B music as they will be released after the first of the year.

Because of the attitude of ASCAP, it is not likely that reduced rates will be offered broadcasters despite the withdrawal of Warner Brothers.

X X X X X X X X X

CONGRESSMAN'S HOME TOWN MAY GET STATION

The Federal Communications Commission this week was advised by its Examiners to authorize construction of a 100-watt station in Abilene, Texas, the home town of fiery Representative Thomas L. Blanton, and to grant another 100-watt station permit providing the station does not link itself with a network.

After listening to the arguments of Matthew Blanton, son of the Congressman, Examiner John P. Bramhall recommended that the Reporter Broadcasting Co., of Abilene, be granted a permit to operate on 1420 kc. with unlimited time. He advised denial of a similar application by William O. Ansley, Jr.

Chief Examiner David G. Arnold, in recommending the granting of a construction permit to Clark Standiford, of Visalia, Calif., attached the unusual condition "with the understanding that the station is to remain a local station and not engage in chain broadcasting."

The report explained that Visalia gets no local service at present and that its closest station is KMJ, Fresno, Calif., which devotes about 75 per cent of its time to CBS and Don Lee chain programs.

The frequency requested is 1310 kc. with unlimited time and 100 watts power.

X X X X X X X X

QUICK SALE OF WJR STOCK POINTS TO MORE PUBLIC OWNERSHIP

The rapidity with which the 28,065 shares of $5 par stock in WJR, Detroit, were gobbled up at $26 a share when placed on the Stock Exchange by W. E. Hotton, stock brokers, is expected to result in other stations following the lead and more widespread public investments in broadcasting outlets.

As listeners acquire substantial interests in broadcasting outlets, public opposition to government-ownership of the ether frequencies will proportionally increase, broadcasters believe.

WJR gained 400 new stockholders by the sale, the average purchase being 70 shares. The block of shares went on sale at 10 A.M. and was sold out by noon.

X X X X X X X X

WATER DAMAGES FCC OFFICES IN EARLY MORNING P. O. FIRE

The offices of Anning S. Prall, Chairman, and Herbert L. Pettey, Secretary of the Federal Communications Commission, were badly damaged by water and smoke early this morning (Friday, December 13) when fire broke out in the Interstate Commerce Department files on the sixth floor of the new $10,000,000 Post Office Building.

Commission officials said that no valuable papers or records were damaged but the furnishings and incidental papers of the two offices were ruined. The records in the telephone investigation escaped damage as they were not in that section of the building.

The fire started around midnight and was not brought under control until about 5 A.M. Damage was estimated at $300,000.

X X X X X X X X

RADIO PERSONALITIES AT SEASON'S FIRST WHITE HOUSE DINNER

Among the guests at the first official dinner in the White House as the National Capital opened its social season were "Amos 'n' Andy", listed on the social list as Mr. Charles C. Correll, with Mrs. Correll, and Mr. Freeman T. Gosden, with Mrs. Gosden. The dinner was in honor of the President's Cabinet.

William S. Paley, President of the Columbia Broadcasting System, and Mrs. Paley, and Col. Sosthenes Behn, President of the International Telephone & Telegraph Co., and Mrs. Behn, were likewise the guests of President and Mrs. Roosevelt.

"Amos 'n' Andy" had to leave the White House in the midst of the party to meet their 11 o'clock broadcast over NBC for Western listeners. They were put on the air by Carlton Smith, of Washington NBC studios. After the program they returned to the White House.

X X X X X X X X

POLITICAL SCRAP SEEN IN TEXAS FIGHT OVER STATION TRANSFER

A fight that has developed over the proposed removal of Station KGKO from Wichita Falls to Fort Worth is interpreted in Washington as a political contest for control of Texas broadcasting in which members of Congress and other leaders in the State Democratic organization are taking sides.

The Federal Communications Commission at first granted the request of Amon Carter, prominent Texas politician and newspaper publisher, to move the station and then subsequently scheduled a hearing on it in Texas in January because of vigorous objections. Carter already controls two stations in Fort Worth. KTAT, another Fort Worth station, operated by the Southwest Broadcasting Co., raised the first official protest.

X X X X X X X X X

BRITISH VISITOR ASSAILS USE OF RADIO FOR PROPAGANDA

Felix Greene, representative of the British Broadcasting Company, in New York, deplored the use of broadcasting facilities abroad, in a luncheon address this week at the Radio Institute of Audible Arts gathering at the Bankers Club, New York City. He suggested that radio should be used properly to foster amity and good-will among the nations.

"Radio's use should be for the very reverse of mass suggestion, to stimulate men's minds to free and individual thought", he said. "To use its power otherwise is to my mind a prostitution of its rightful purpose. If broadcasting as a means of propaganda within the boundaries of the State has already become a reality, it will not be long before it is used as a means of national propaganda directed at countries lying beyond the boundares of the State."

X X X X X X X X X

STEEL RIBBON USED TO RECORD FRENCH PROGRAMS

A new recording scheme for broadcasters has been tried successfully in France. Recently the speech made at the League of Nations by Mr. Pierre Laval was put on the air by all the French radio stations utilizing for the first time a new system by which programs can be recorded not only on records as has been heretofore done, but on a steel ribbon allowing an unbroken performance of long programs. The Recording Center is connected with all French stations, as well as with the newly created "Centre d'Ecoute". Since the new device has been put into regular use on the Paris P.T.T. station , three broadcasts of the morning newspaper news are given.

X X X X X X X X

SEES SELECTIVE NEW SETS REVIVING OLD DX'ING

Because the newer radio receiving sets have achieved a high standard of selectivity and tone fidelity, Paul S. Ellison, of the Hygrade Sylvania Corporation in the New York City office, believes that they will revive interest in long distance listening and that newspwpers should be encouraged to carry more programs of independent distant stations.

"The radioindustry today is putting out the most selective and sensitive sets which have ever been built", Mr. Ellison declared. "Moreover, advanced engineering design in both broadcasting and receiving apparatus has greatly increased the degree of fidelity with which programs may be heard.

"All of which is preliminary to saying that I think people can be encouraged to get a lot more pleasure from their sets and use them more than they are at present."

Mr. Ellison thinks, for instance, that a listing of the stations carrying all football games during the season would be particularly valuable to listeners as many fans would be more interested in tuning in on their alma mater's game than on one of the Big Ten.

Citing the findings of the Cooperative Analysis of Broadcasting by Crossley, that there is a distinct falling off of listening about 10 P.M., he says:

"In fact, in many areas this falling off begins at 9:30. Aside from people's ordinary retiring habits, it is probably largely due to the cessation of important chain programs.

"Let us leave our public on the point of going to bed and consider that in almost every large city there are feature programs which are not put on the chains and which are immensely popular locally. In some cases, this may be a high-class musical organization such as the Minneapolis Symphony and other symphony groups. It may be a humerous dialogue feature or it may be a well-known dance band. The vicarious thrill of the DXer made radio commercially successful in the days when programs were poor. I believe that this DXing interest can be revived, if the public is told about high-spot programs from stations within the range of their radios but not in the local area to which they usually listen."

From the standpoint of a newspaper, Mr. Ellison is of the opinion this should be a very acceptable feature, since it means that the radio set owner will learn to consult his newspaper more frequently and for longer periods, thereby increasing its effectiveness as an advertising medium.

"I do not need to point out how desirable increased listening would be to both the radio manufacturing industry and the broadcasting interests", Mr. Ellison concluded.

"Of course, the idea in connection with football games is only one phase of the larger thought outlined above. All of our large colleges have alumni groups in every State, as well as thousands of people who follow their teams for other reasons. A graduate of Michigan, living in New York, may not be at all excited about a game between Princeton and Navy, but he would give anything to hear a broadcast of the Michigan-Ohio State game, etc., etc."

X X X X X X X X

ST. LOUIS STATION IS KEY FOR RELIGIOUS NET OF 7 OUTLETS

Station KFUO, owned and operated by the Evangelical Lutheran Church, St. Louis, Mo., is the key station for "The Lutheran Hour", which is carried every Sunday afternoon over a network including seven additional stations. It is the only religious station in the world with such an extensive hookup, according to Rev. Herman H. Hohenstein, Director.

"The Lutheran Hour", a 30-minute program consisting of a religious message and sacred music, is available to 75 per cent of the country's population on the basis of the coverage of the network. It is carried at 12:30 P.M., CST, in St. Louis, Chicago (WJJD), and St. Paul (KSTP), and at 1:30 P.M. EST, in Cincinnati (WLW), Cleveland (WGAR), Detroit (CKLW), Pittsburgh (WCAE), and New York (WINS).

X X X X X X X X

WARING-WDAS SUIT GETS UNDER WAY

The trial of the suit of Fred Waring, orchestra leader, against WDAS, Philadelphia, got under way December 12 before Judge Harry A. McDevitt in the Court of Common Pleas. The action is an initial move sponsored by the National Association of Performing Artists, an organization of stage and radio celebrities, of which Mr. Waring is president. The issue is whether the station has the legal right to broadcast phonograph recordings under ASCAP contracts without the specific authorization of the artist.

X X X X X X X X X

APPLICATIONS GRANTED BY FCC BROADCAST DIVISION

WCAZ, Superior Broadcasting Service, Inc., Carthage, Ill., CP to move transmitter site locally in Carthage, and make changes in equipment; KWK, Thomas Patrick, Inc., St. Louis, Mo., CP to make changes in equipment, move transmitter from Kirkwood to outside city; WPRP, Julio M. Conesa, Ponce, P. R., Mod. of CP to extend completion date from 12/18/35 to 1/18/36; WIS, Station WIS, Inc., Columbia, S. C., Mod. of CP to extend completion date from 12/10/35 to 2/10/36; WFMD, The Monocacy Broadcasting Co., Frederick, Md., Mod. of CP approving composite equipment; WMMN, A. M. Rowe, Inc., Fairmont, W. Va., MOD. of CP approving transmitterand studio sites, make antenna changes, extend commencement date to 30 days after grant and completion date to 180 days thereafter; WEST, Asso. Broadcasters, Inc., Easton, Pa., Mod. of CP for antenna changes and approving transmitter site at Williams Township, Pa.; KBTM, W. J. Beard (Beard's Temple of Music), Jonesboro, Ark., license to cover CP, frequency 1200 kc., 100 w. daytime.

Also, WCOL, WCOL, Inc., Columbus, Ohio; license to cover CP, 1210 kc., 100 watts, unlimited time; KWG, Portable Wireless Tel. Co., Inc., Stockton, Cal., license to cover CP, 1200 kc, 100 watts, unlimited time; WHFC, WHFC, Inc., Cicero, Ill., Mod. of license to change specified hours to add one additional hour operating time from 7 to 8 A.M., Sundays only; WDZ, James L. Bush, Tuscola, Ill., Consent to voluntary assignment of permit and license from James L. Bush to WDZ Broadcasting Co. (freq. 1070 kc., 100 w. daytime only; CP for 1020 kc. 250 w. daytime); WDZ, WDZ Broadcasting Co., Tuscola, Ill., Mod. of CP to make changes in equipment, extend commencement date to 30 days after grant and completion date to 180 days thereafter; KUOA, John Brown University, Fayetteville, Ark., consent for transfer of control of KUOA, Inc., by number of shares of stock (200) from Roberta Fulbright, Helen Fulbright, Douglas and Roberta E. Fulbright to John Brown University.

Also, WNEL, Juan Piza, San Juan, P. R., CP to make changes in equipment and increase power from 500 w. night and day to 1 KW night, 2½ KW day; KTRH, KTRH Broadcasting Co., Houston, Tex., CP to make changes in equipment; KGVO, Mosby's, Inc., Missoula, Mont., Mod. of CP to extend completion date from 12/16/35 to 1/16/36; KFRC, Don Lee Broadcasting System, San Francisco, Cal., authority to determine operating power by direct measurement of antenna power; KMBC, Midland Broadcasting Co., Kansas City, Mo., license to cover CP, heretofore set for hearing, 950 kc., 1 KW night, 5 KW day, unlimited time.

Also, New, Oregon State Agr. College, Portable-Mobile (Corvallis, Ore.) CP (Exp. Gen. Exp.), freqs, 31100, 34600, 37600, 40600 kc., 5 watts; New, WTAR Radio Corp., Portable-Mobile (Norfolk, Va.); New, National Broadcasting Co., Portable-Mobile (New York City), CP and license (Exp. Gen. Exp.) freqs. 31100, 34600, 37600, 40600 kc., 20 watts; Radio Station WSCC, Inc., Portable-Mobile (Charlotte, N.C.) and The Reynolds Radio Co., Inc., Portable-Mobile (Denver) CP (Exp. Gen. Exp.), freqs. 31100, 34600, 37600, 40600 kc., 2 watts and 1 watt respectively.

ACTION ON EXAMINERS' REPORTS

New, Quincy A. Brackett, Lewis B. Breed & Edmund A. Laport, d/b as Connecticut Valley Broadcasting Co., Springfield, Mass., granted CP for new station to operate on frequency 1140 kc., 500 watts, limited time, sustaining Examiner Melvin Dalberg, Order effective Feb. 4, 1936; New, Worcester Broadcasting Co., Inc., Worcester, Mass., denied CP for new station to operate on 1200 kc., 100 watts, unlimited time. Examiner Dalberg sustained; New, Hartford Broadcasting Co., Inc., Hartford, Conn., denied CP for new station to operate on 1200 kc., 100 watts, unlimited time, sustaining Examiner Dalberg; New, The Hartford Times, Inc., Hartford, Conn., granted CP for new broadcast station to operate on 1200 kc., 100 watts, daytime only, sustaining Examiner Dalberg. Order effective February 4, 1936; New, Oklahoma Press Publishing Co., Muskogee, Okla., granted CP for new broadcast station to operate on 1500 kc., 100 watts, unlimited time, subject to Rules 131, 132 and 139; Examiner John P. Bramhall sustained; Order effective Feb. 11, 1936.

X X X X X X X X X

SOME RECENT NEW COLUMBIA BROADCASTING BUSINESS

The Pompeian Co., Bloomfield, N. J., started Dec. 2, 1935, Mon. Wed. & Fri., 4:45 to 5 P.M. EST; Network; 26 stations coast to coast; Originates Hotel Ritz Carlton, Palm Room, N. Y.; Program: Tea at the Ritz: Harold Stern's orchestra, Margaret Santry, interviews; Jerry Cooper, baritone; Agency: Topping & Lloyd, Inc., New York;

Mohawk Carpet Mills, Inc., Amsterdam, N. Y. (Renewal) Started Dec. 9, 1935; Air time: Mon. to Fri. 12:45 to 1 P.M.EST, network of 22 stations coast to coast; Originates WABC; Program: Five Star Jones; Agency: Blackett-Semple-Hummert, Inc., New York.

Ford Motor Co., Dearborn, Mich., Lincoln-Zephyr cars, started Dec. 1, Sun. 2:30 to 3 P.M., rebroadcast 5:30 to 6 P.M., EST; network of 43 stations coast to coast; Originates Detroit, Mich.; Program: Jose Manzanares and his South American Orchestra with Delores; Agency - N. W. Ayer & Son, Inc., New York City.

D. A. Schulte, Inc., New York, Schulte Retail Stores and Schulte products; started Dec. 3, 1935, Tues., Thurs., 7:15 to 7:30 P.M. EST, network of 16 stations; Originates WABC; Program: Rube Goldberg, Vera Van and Waldo Mayo's orchestra; Agency: Frank Presbrey Co., New York City.

X X X X X X X X X

Representative Sirovich (Democrat), of New York, is quoted by the Associated Press on December 10 as accusing three groups of leading electrical corporations as holding a corner on certain patents. He listed the three groups as: (1) Western Electric, Bell Laboratories, and Electrical Research Products Corp.; (2) General Electric and Westinghouse; and (3) Radio Corporation of America.

X X X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF DECEMBER 17, 1935.

No. 887

December 17, 1935

ICKES CITES AID OF RADIO IN INTERIOR DEPARTMENT REPORT

The aid given by networks and broadcasting stations, particularly in publicizing the national parks, is noted by Secretary Harold L. Ickes in his annual report for the Interior Department, released on December 16.

In the section dealing with the National Park Service, the report reads:

"Probably the widest publicity given to the national parks and monuments during the past year resulted from the expanded radio programs. Through the courtesy of the National Broadcasting Company, a series of 14 Nation-wide broadcasts was given in the late Spring and early Summer, with half-hour programs. The Secretary of the Interior opened the series; Mrs. Roosevelt gave an interesting talk on practical phases of park trips, such as the safety of horseback riding and desirable costuming; and officials of cooperating Federal bureaus joined National Park Service officials in the discussion of many phases of park work. The Marine Band cooperated by playing on 6 of the programs, the Navy Band on 1, and the Army Band on 1. Vocal selections on several of the programs were given by Civilian Conservation Corps enrollees.

"Under the auspices of the State Chamber of Commerce and the Federal Business Association of California, several radio talks were given by officials of the National Park Service in the West during the months of April, May, and June.

"In addition to the Nation-wide and other special broadcasts, a series of 20 mimeographed talks on specialized park subjects was prepared in the Washington office of the National Park Service and sent to more than 200 radio stations requesting such material."

The U. S. Office of Education calls attention in its report to the weekly educational program carried by NBC.

"Interest was manifest in numerous requests for copies and for further information on the subjects of each broadcast", the report states.

X X X X X X X X X X

WARING-WDAS SUIT TAKEN UNDER ADVISEMENT BY COURT

The injunction suit brought by Fred Waring, leader of Waring's Pennsylvanians, against WDAS, of Philadelphia, on the ground that the station improperly broadcast his records without paying him directly, was taken under advisement by Judge Harry S. McDevitt in Common Pleas Court after a brief hearing.

Theatrical producers, composers and publishers, song-writers, orchestra conductors, musicians and restaurant managers flocked to the witness stand to give testimony in the suit. The National Association of Broadcasters was allowed to intervene as a party interested.

It was argued on behalf of Mr. Waring that the merit and popularity of many musical productions have been destroyed by indiscriminate playing of the pieces by inferior orchestras and their broadcasting from records.

While the orchestra leader was on the witness stand, the defense attempted to show that the composers and the leader had divested themselves of any right in the records made by RCA Victor Company because he had for several years made records for the Victor Company, for which he was paid, under contracts by which he assigned all his rights therein to that company.

The defense called no witnesses, but rested on copies of the contracts referred to and submitted briefs on technical questions of law involved. It was admitted that there was no special legislation on the subject to guide the court.

Whether successful or not in this litigation, the National Association of Performing Artists, of which Mr. Waring is President, will seek an amendment to the Copyright Act, similar to that now in force in several foreign countries, where the interpreter is given protection similar to that provided the copyright owner.

X X X X X X X X X

REA TO FINANCE WIRING OF FARM BUILDINGS

Of interest to radio manufacturers is the announcement that the Rural Electrification Administration will finance the wiring of houses and other farm buildings in areas where rural line construction is making electricity available. Details are obtainable at the Washington headquarters of the REA.

X X X X X X X X

12/17/35

SCHUETTE ORGANIZES SHORT-WAVE INSTITUTE

To stimulate the development of short-wave radio by fostering the public interest in international broadcasting, radio telephony, radio telegraphy and television, the Shortwave Institute of America was organized in Washington, December 16th with offices in the National Press Building. The President of the Institute is Oswald F. Schuette, well known to the radio industry.

"Five million shortwave radio sets are in use in American homes and it is estimated that 5,000,000 more will be sold in 1936", Mr. Schuette said in announcing the formation of the Institute. "About 100 shortwave stations of recognized international importance are broadcasting daily. At present, however, there are no facilities for the dissemination of their complete programs. It will be one of the purposes of the Shortwave Institute to provide a clearing house for these schedules and to arrange for their distribution to set owners.

"One of the greatest achievements of wireless telegraphy", in the opinion of Mr. Schuette, "was the fact that it made possible direct communication between the United States and each of the civilized countries of the globe.

"Radio telephony has the same opportunity for direct communication and, in addition, the enormous advantage of enabling the people of one country to speak directly, by word of mouth, to the people of another.

"This direct communication has been achieved even more dramatically by today's short-wave broadcasting. Short-wave set owners in the United States can listen, in their homes, to daily broadcasts of the voices of these distant lands. In this way, radio bids fair to create a universal language and therein lies the greatest possibility for true international understanding", he went on.

"With the achievement of television, shortwave radio communication will be the most powerful single influence in modern civilization. Its possibilities are unlimited. The scienfitic achievements which it has to its credit are but the beginning of an art whose influence on the future of our civilization no one dares to estimate."

X X X X X X X X X X

WPA TO FINANCE TWO NEW TOWERS FOR NEW YORK CITY'S WNYC

The Works Progress Administration will furnish funds for construction of two 304-foot radio towers for Station WNYC, New York City's municipal radio outlet. The towers will be located in Brooklyn at the site of the old Greenpoint ferry terminal.

Plans for the project, which will cost $54,000, include erection of a one-story brick and stucco building, with basement, to house the radio transmitting, control, and operating equipment.

WNYC is now on the 25th floor of the Municipal Building in Manhattan, but it is being removed because tall buildings in the vicinity cause a loss in coverage and reception.

X X X X X X X X

RADIO LEADERS DINE WITH GRIDIRONERS

Those from the radio and allied industries invited to the December Gridiron Dinner in Washington were:

M. H. Aylesworth, President National Broadcasting Company; Gene Buck, President, American Society of Composers; Louis G. Caldwell, formerly General Counsel of the Federal Radio Commission; Vincent F. Callahan, National Broadcasting Co., Washington; James G. Harbord, Radio Corporation of America; Frank C. Page, International Telephone and Telegraph Company; George Henry Payne, Federal Communications Commissioner; F. M. Russell, National Broadcasting Company; Anning S. Prall, Chairman of the Federal Communications Commission; David Sarnoff, President, Radio Corporation of America; Eugene O. Sykes, Federal Communications Commission.

X X X X X X X X

TWO NORTH DAKOTA STATIONS RECOMMENDED BY FCC EXAMINER

Construction permits for the establishment of two 100-watt broadcasting stations in North Dakota, one at Jamestown and the other at Williston, were recommended this week in reports submitted by Examiners to the Federal Communications Commission.

The applications favored were filed by the Roberts-MacNab Co., of Jamestown, for permission to use the 1310 kc. wave with unlimited time, and by D. A. Gibbs, Jr., and E. H. Shemorry, of Williston, for the 1500 kc. channel with specified hours.

Favorable action also was recommended on the applications of WJAR, Providence, R. I., for authority to increase its power from 250 watts nighttime and 500 watts daytime to 1 KW on its same frequency of 890 kc. The Examiner attached a condition that a directional antenna be required so as to protect other stations.

At the same time, KARK, Little Rock, Ark., which operates on the same channel, was recommended for an increase in power from 250 watts nighttime and 500 watts daytime to 500 watts nighttime and 1 KW daytime.

Denials were recommended for the following applicants for new facilities: Chicago Broadcasting Association, seeking 1500 kc., with 100 watts, unlimited time; Washington Broadcasting Co., Washington, Pa., 1350 kc., 250 watts, daytime; D. B. Sutton, Miami, Fla., 1210 kc., 100 watts, unlimited time; Pat Whitaker, Tampa, Fla., 1370 kc., 100 watts, unlimited time; St. Petersburg Chamber of Commerce, St. Petersburg, Fla., 1310 kc., 100 watts, unlimited time.

X X X X X X X X X

APPELLATE COURT ORDERS INJUNCTION IN "NEWS PIRACY" CASE

The United States District Court at Seattle was ordered December 16th by the Ninth Circuit Court of Appeals to enjoin Station KVOS, Bellingham, Wash., from "pirating" news gathered by the Associated Press, former Senator C. C. Dill, of Washington, counsel for the station was informed.

Senator Dill said that he would await instructions from the KVOS management before proceeding, but he predicted that the case will be carried to the United States Supreme Court in view of the fact that the station won the decision of the trial court, which denied the Associated Press an injunction.

Circuit Judge William Denman, in holding that the taking of wire service news and broadcasting it in sponsored programs is unfair competition, said in part:

"The first amendment of the Federal Constitution has recognized the public function of the press in the provision for its freedom.

"While no constitutional right is here involved, this constitutional recognition emphasized the exceptional character of the right which is sought to be protected in a Federal Court sitting in equity.

"When the Constitution speaks of the freedom of the press, it refers to the freedom of private and non-government persons or bodies, engaged in news gathering and dissemination, from interference by governmental agencies. That is to say,

that the public function in the gathering and dissemination of news is presumed by the Constitution to be in private hands.

"Under our capitalistic system, this means that news distribution as a public function will be in large part by business men acting under the inducement of the profit motive.

"The public, therefore, has an interest in protecting the business of news gathering and disseminating agencies against the impairment of their efficiency by the inevitable reduction of their business income through the misappropriating of news prior to the expiration of the time during which the Supreme Court has held there exists in it a 'quasi property' interest."

X X X X X X X X X X

BETTER CHILDREN'S PROGRAMS,BROADER RURAL OUTLOOK ARE NOTED

Improvement in the content and quality of radio programs for children and development by the farmer of a broader point of view through radio are noted in surveys just published by the Radio Institute of the Audible Arts,founded by the Philco Radio & Television Corporation.

The survey of children's programs was conducted by the Radio Committee of the Child Study Association of America under the direction of Mrs. Sidonie Matsner Gruenberg, Director of the Association.

While stressing the need for a "more creative approach" to the possibilities of radio as a medium of education and entertainment, the Committee reported "distinct evidence of efforts to improve the radio's offerings along the lines demanded by an increasingly informed public."

Among the recommended children's programs which the Committee felt met its suggested standards of emotional emphasis, good taste, truthfulness, attitudes and sentiment, language and quality, and advertising, were the following: Singing Lady, Billy and Betty, Bobby Benson and Sunny Jim, Buck Rogers in the Twenty-Fifth Century, Popeye the Sailor, Let's Pretend, Girl Scouts, and Junior Radio Journal.

Among the adult programs of interest to children, the following are listed: Alexander Woollcott, Hendrik Willem Van Loon, Roses and Drums, Dream Drama, Vanished Voices, Albert Payson Terhune's Dog Dramas, Little Known Facts About Well-Known People, Echoes of New York Town, and News and Sports commentators, while special interests are represented by such programs as Animal Close-ups, Chats About Dogs, and Bird Talk.

In its survey of "Radio and Rural Life", the Institute predicted that the farmer, because of his broader outlook developed by radio, will make his influence felt in the Capitol more than ever before.

As well as making him a better informed citizen, the radio has also strengthened the farmer's economic position, the Institute found in its survey of which 250 agricultural leaders throughout the country participated.

The symposium and survey indicates that market and weather reports over the radio are among the most significant aids to the farmer. Millions of dollars are saved annually by announcements of price changes and variations in climatic conditions.

Among those who contributed their views to the survey were: Representative Fred Biermann, Iowa; Senator Arthur Capper, Kansas; Representative John W. Flanagan, Jr., Virginia; Senator Lynn J. Frazier, North Dakota; Representative Fred C. Gilchrist, Iowa; Senator James P. Pope, Idaho; Miss Ruth Van Deman, Bureau of Home Economics, U. S. Department of Agriculture; and Louis J. Taber, Master, The National Grange; C. W. Warburton, Director of Extension Work, Department of Agriculture; M. C. Wilson, in Charge of Extension Studies and Teaching, U. S. Department of Agriculture.

Senator Capper stated that radio has aided in removing "hit-or-miss" methods in farming. "It is a splendid thing", he said, "for farmers to learn what the scientists in the government service are doing and what the executives in charge of the Department of Agriculture think about the agricultural situation from time to time."

"I believe that the radio has been one of the greatest blessings that the farmers of my part of the country have received during my lifetime", said Representative Biermann. "It has enabled them to keep in touch as closely with the affairs of government, business and culture as people in the cities. Speeches and lectures on political subjects have been of great value to the farmers in these days of stress andgreat change."

The results of the survey are published in a 68-page booklet by the Radio Institute with a preface, "Radio and the Farmer" by Edmund deS. Brunner, Professor of Education at Teachers College, Columbia University.

The symposium on "Radio and Rural Life" covers the following subjects:

Breaking Down Rural Isolation; Farmers Same As Other People; Radio's Special Value to Farmers; Makes Farmers Understand Place in World; Improved Practices Through Agricultural Programs; Sectional Variation in Agricultural Programs; Markets and Weather Reports; Entertainment Vital Need of Farmers; Keeping Young People on the Farm; Programs for Farm Women; Cultural and Educational Values; Farmers Use Radio Seriously; Farmers' Listening Habits; Radio Ownership Among Farmers; Suggestions Advanced by Contributors.

The booklet concludes with a summary of radio programs broadcast by the Agriculture Department and other agencies.

X X X X X X X X X X

VULGAR-VOICED WOMEN BEST ON RADIO, SAY PROFS

Women with vulgar and uncouth-sounding voices are more likely to succeed as radio speakers than women with well-cultivated and refined voices, according to a survey by Dr. Gordon Allport of Harvard and Dr. Hadley Cantril of Teachers College, Columbia University.

The authors declare that the radio is regarded as a medium of entertainment on a level with vaudeville and the music halls and that the type of woman associated with such entertainments, therefore, would be the type most welcome on the air.

At the same time, the survey declares, most persons would rather listen to a man's voice than to a woman's over the air. Woman's main forte in broadcasting is poetry or other "subtle and reflective material", the authors maintain.

The listeners' chief reason for preferring male voices was that women "seemed to them affected and unnatural when they broadcast", while men were "more natural and persuasive."

"The prejudices against women's voices may be due in part to the fact that sponsors and broadcasters are not careful enough to respect listeners' tastes in their selection of female announcers", the authors declare. "High-pressure saleswomen are particularly objectionable to the average listener and his intense dislike of them may be indistriminately transferred to other feminine voices.

"If in the future women are chosen whose voices are above reproach in respect to naturalness and if female announcers strive to overcome all suspicion that they are dressing up their speech for the occasion, prejudice against them should in time decline."

X X X X X X X X X X

A. B. CHURCH ELECTED KMBC PRESIDENT; DENIES SALE RUMOR

Discrediting reports that negotiations were in progress to sell KMBC, Kansas City, the Board of Directors has elected Arthur B. Church President and General Manager of the Midland Broadcasting Co. He has been Vice-President and General Manager since the station was founded in 1921. As President, he succeeds the late Frederick B. Blair.

Mr. Church denied reports that the Kansas City Star was seeking to purchase the CBS outlet as a second station with WDAF. He immediately announced the appointment of J. Leslie Fox as Director of Sales for KMBC. The Directors elected Roland R. Blair, son of the late president, as Vice-President, and Mark H. Siegfried, Treasurer.

X X X X X X X X X X

WINTERBOTTOM NOTES EFFECT OF "THE SHADOW" ON SHORT-WAVES

Radio's first "mystery drama", in which radio emissions from unknown sources mysteriously invade different parts of the short-wave band at irregular intervals, was disclosed yesterday (Dec. 16) by William A. Winterbottom, Vice-President and General Manager of R.C.A. Communications, Inc.

Because of their unpredictable raids into marine, transoceanic, aircraft, military, naval, amateur, and probably also in the television sections of the radio spectrum, the strange radio signals have become known to engineers as "the shadow", he said.

These radio waves have not the character of telegraphic or telephonic signals, and are definitely unrelated to any "static" or cosmic ray phenomena within the experience of engineers. Unlike static, they are usually observed on definite frequencies.

Through the past year "the shadow" has been most active in the frequency band between 11,000 and 14,000 kilocycles, although it has been observed as low as 6,000 kilocycles and as high as 18,000. At stations of RCA and other radio companies in the eastern United States, the mysterious signals are most frequently observed between the hours of 9 A.M. and 6 P.M.

So far the radio communication and broadcasting companies have had no serious difficulty in circumventing the interference caused by the mystery signals, he said. But there is little doubt that the public who listen in on short-wave bands have already suffered considerable inconvenience, and may expect still more, for within the last six months "the shadow" has becoming increasingly active in the United States.

Engineers are confident that, from whatever source the mystery waves may come, they are not being employed in any known form of communication. It is therefore possible, if not probable, that whoever is generating the waves may be entirely unaware of the interference they are setting up.

X X X X X X X X

INDUSTRY NOTES

WMCA, New York, was the only station to have a microphone at the ringside of the Joe Louis-Paulino Uzcudun fight December 13 in Madison Square Garden. The broadcast, arranged by Donald Flamm, was fed exclusively to the stations of the Inter-City network. The broadcast was sponsored by the makers of Blackstone cigars.

The International Telephone and Telegraph Corporation in a statement to its stockholders reports that its consolidated net income for the nine months ending September 30, 1935, amounted to $3,397,823 as compared with $2,508,678 for the corresponding period in 1934. It is explained that the foregoing income account does not include the losses of the Postal Telegraph and Cable Corp. and its subsidiary companies of $1,442,176.

The Federal Trade Commission has issued an order to cease misrepresentation of a hair dye as a hair tonic capable of stimulating bodily functions to produce pigmentation and impart color to the hair against Vasco Products, Inc., of Brentwood, Md., and William M. Kittle M. Lea, of Tampa, Fla., formerly trading as the Lea's Tonic Co. The ban is made applicable to broadcasting and other media of advertising.

The following quotation from Ray V. Sutliffe, editor of Radio Retailing, was carried in the New York Times of December 15 under a copyright line of the NANA, Inc.:

"Present indications in the radio industry point to an increase in unit sales (home receivers) of 25 per cent in 1935 over 1934. Retail dollar volume will be even greater. Auto-radio sales have jumped from 780,000 last year to slightly over the million mark for 1935. Total domestic sales, therefore, will top 5,000,000 - an all-time record."

X X X X X X X X X X

BROADCAST ADVERTISING FOR 1935 ESTIMATED AT $87,000,000

That broadcast advertising has made tremendous advances in 1935 is admitted by Editor & Publisher, newspaper publishers' organ, in a current issue featuring radio and its use by newspapers. Regarding radio advertising, the publication says, in part:

"Broadcast advertising, still rushing ahead on the upgrade, is setting new records all along the line this year. Total time sales for the year, as estimated by Editor & Publisher on the basis of figures furnished by the National Association of Broadcasters for the first ten months of the year, will be between $87,000,000 and $88,000,000.

"Of this amount, the National Broadcasting and Columbia Broadcasting networks, on which so much outside attention is focused, will account for approximately $48,000,000, or only about 55 per cent.

"Including the cost of program talent -- although nothing like a close estimate can be madeon this - it seems certain that 1935 broadcast advertisers will have spent at least $115,000,000 - possibly $125,000,000 or $130,000,000 - by the time the New Year's Eve programs go rolling across the country to the Pacific Coast."

James W. Baldwin, Managing Director of the National Association of Broadcasters, in a signed article has this to say, in part, about broadcast advertising:

"Broadcast advertising volume of 1935 will total approximately $87,000,000. This will be nearly 20 per cent better than the 1934 level and about 50 per cent ahead of the estimated 1933 total.

"Outstanding characteristic of past year has been increasing use which has been made of all portions of Broadcasting structure by advertisers. Advertising volume placed over 100-watt stations has grown at more than average rate. National non-network business and regional network advertising have prospered especially. National network volume has continued to show its usual strength. It is quite probable that these trends will continue to be among important ones in 1936.

"Several important developments have occurred in the field of advertising sponsorship. The marked rise of automotive advertising, especially in national non-network field, indicates the power of radio to sell high-priced as well as convenience goods. The food industry has shown increasing volume of advertising over all portions of the broadcasting structure.

"Estimated radio advertising by retail establishments will be no less than 35 per cent ahead of 1934 level for year just closing.

"There were no important recessions in broadcast advertising volumes during 1935, and continued growth in all fields may be expected for the coming year."

X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF DECEMBER 20, 1935

No. 888

WILL RADIO BE POLITICAL FOOTBALL OF 1936 Congress?

Members of the Federal Communications Commission and broadcasters alike are wondering whether radio will again be made a political football at the second session of the 74th Congress or whether more important issues will crowd it off the calendar.

The FCC members are sharply divided in their predictions, doubtless based on hopes, over what Congress may do about broadcasting. The Broadcast Division poo-poohs the threat of any investigations or the passage of any revolutionary legislation, while Telegraph Division colleagues hint of dire consequences unless the FCC revamps the broadcasting setup voluntarily. The most outspoken of them is Commissioner George Henry Payne.

Unbiased observers are inclined to believe that more important issues will forestall any action that might upset the present commercial radio system but that individual members will seize the opportunity to assail the broadcasting allocations as unjust to the rural communities and the educational and religious institutions.

The FCC itself will offer no significant legislation and will oppose, as a body, any move toward government operation of stations or the allocation of a definite number of frequencies to educational groups.

The most sweeping of the pending bills affecting radio is that sponsored by Representative Monaghan (Democrat), of Montana, an energetic and sincere but inexperienced legislator. His measure would establish a Federal Radio Commission and authorize it to operate a government broadcasting network on which advertising and sponsored programs would be limited to two hours daily or 20 per cent of the operating time. It is not likely that Congress would take any action on such a revolutionary proposal without at least conducting a thorough inquiry, and an election year is not the most appropriate time for Congressional inquiries. Congressmen are too busy mending their political fences.

The next most radical bill is that sponsored by Representative Rudd (Democrat), of Brooklyn, which revives the old proposal of allocating a fixed percentage, in this case one-fourth, of the broadcasting facilities to non-profit making organizations. It, however, stands little chance of enactment at the approaching session for the same reason that the Monaghan bill will be held up.

Senator Wheeler (Democrat), of Montana, Chairman of the Senate Interstate Commerce Committee, has a much better chance with his bill to repeal the Davis equalization amendment, leaving allocations to the discretion of the Federal Communications Commission.

Other pending bills touching directly on radio are:

Neely Bill to compel losing applicants for existing radio station licenses to pay full costs of proceedings.

Walsh Bill to require State Department approval of all foreign broadcasts rebroadcast in this country.

McCormack Bill to permit ships to pick up radio news reports.

Scott Bills and resolutions to amend the Communications Act with respect to political broadcasts, censorship and broadcasters' liability for utterances and to set up a Broadcasting Research Commission to investigate the industry and the demands of outside groups for facilities.

In addition there are a number of non-industry bills which nevertheless will have varying effects on broadcasting if enacted into law. Chief among these is the Copeland Bill to regulate the manufacture, sale and advertising of food, drugs, and cosmetics. This bill has passed the Senate but faces serious opposition in the House and possible amendment.

The Duffy Bill to amend the Copyright Act of 1909 and afford new protections to users of copyrights, including broadcasters, has also passed the Senate and awaits House action. The current confusion over the music copyright situation doubtless will be injected into the consideration.

The Capper Bill to prohibit the advertising of intoxicating liquors in interstate commerce, including broadcasting, probably will never emerge from its pigeon-hole at the approaching session.

Other measures would bar radio stations and newspapers from carrying advertising for companies seeking to place loans at interest rates in excess of 15 per cent a year (by Sauthoff, of Wisconsin) and would prevent promotion of frauds operated over the radio and through other interstate agencies (by Copeland et al).

X X X X X X X X X

FCC NAMES RADIO-EDUCATION GROUP; MEETING IN JANUARY

The eyes of Congress, educators, and broadcasters will be on the newly-formed Radio-Education Committee when it holds its first meeting about the middle of January. The Committee of forty was announced by the Federal Communications Commission, Broadcast Division, December 18, and Dr. John W. Studebaker, U.S. Commissioner of Education, as Chairman, immediately began drafting an agenda for the first meeting.

The Committee, which was promised by the FCC almost a year ago when it submitted a report to Congress on the place of education in broadcasting, comprises both educators and broadcasters. Its purpose will be to satisfy the demand of educational interests for time on stations and networks and at the same time refrain from encroaching on profitable commercial hours.

Upon the outcome of this rather difficult task doubtless will depend the attitude of Congress on the demands of reformers for a specified allocation of radio frequencies for non-profit educational and religious organizations.

Some educators and even members of the FCC, such as Commissioner George Henry Payne, are frankly skeptical of the ability of the Committee to settle amicably the rather delicate problem. Others believe that it will settle the controversy that has raged almost since the inception of broadcasting to the satisfaction of all concerned.

In announcing the personnel of the Committee, the FCC called attention to its inquiry in the Fall of 1934 and its subsequent report to Congress recommending against the allocation of fixed percentages of radio facilities to non-profit groups. The Commission asserted in that report that the interests of non-profit organizations would be better served by the use of existing facilities.

The Commission proposed in its report to hold an educational conference at which time plans for mutual cooperation between broadcasters and educational organizations could be made. That conference was held on May 15, 1935.

"It is the sincere belief of the Commission", a FCC statement said, "that the hearings, conferences, and constructive thought and experience given to this subject have produced a situation whereby within the present broadcast structure the educators on the one hand, and the broadcasters on the other can combine forces which will:

"1. Eliminate controversy and misunderstanding between groups of educators and between the industry and educators.
"2. Promote actual cooperative arrangements between educators and broadcasters on national, regional and local bases.

"A sufficient budget for expenses of the Committee has been pledged, half of it by the National Advisory Council on Radio in Education on behalf of educational interests and half by the National Association of Broadcasters on behalf of broadcast stations. It is expected that a small planning committee will be organized for the purpose of collecting and correlating data on which the main committee may base its deliberations, thus reducing to a minimum the amount of time the full committee will have to give, consistent with a fair and impartial consideration of the subject. This small committee may also undertake certain definite projects in keeping with the general purposes of the committee.

"The Commission is too familiar with the whole scope of educational broadcasting, its limitations and its possibilities, to expect any panacea, but we do believe that coordination and cooperation at this time will give results to the end that radio broadcasting can be further utilized as an effective medium for education."

The Committee, in addition to Dr. Studebaker, comprises:

Waldo Abbott, University of Michigan; Merlin H. Aylesworth, President, National Broadcasting Company; James W. Baldwin, Managing Director, National Association of Broadcasters; Edgar Bill, Station WMBD; Dr. S. Parks Cadman, Federal Council of Churches of Christ in America; Dr. Morse A. Cartwright, Director, American Association for Adult Education; Dr. W. W. Charters, Director, Bureau of Educational Research, Ohio State University; Dr. Harry W. Chase, Chancellor, New York University; Gardner Cowles, Jr., Des Moines Register; Lester E. Cox, Station KWTO; Edwin Craig, Station WSM; Dr. A. G. Crane, President, University of Wyoming; Dr. Walter Damrosch, National Broadcasting Company; Milton S. Eisenhower, Director of Information, Department of Agriculture; John Elmer, Station WCBM; O. I. Fisher, Station KOMO; Leo J. Fitzpatrick, President, National Association of Broadcasters; Willard Givens, Secretary, National Educational Association; Tom C. Gooch, Daily, Times Herald; William Green, President, American Federation of Labor.

Also, Mrs. Rose Jacobs, President, Hadassah Womens Zionist Organization; Father George W. Johnson, Catholic University of America; Dr. C. B. Jolliffe, Radio Corporation of America; Lamdin Kay, Station WSB; John F. Killeen, Director, Broadcast Division, Federal Communications Commission; Dr. Cline M. Koon, Office of Education; Mrs. B. F. Langworthy, President, National Congress of Parents and Teachers; Miss Luella S. Laudin, Women's National Radio Committee; H. B. McCarty, President, National Association of Educational Broadcasters, University of Wisconsin; A. J. McCosker, President, Bamberger Broadcasting Service, Inc.; Mrs. Harold V. Milligan, President, Women's National Radio Committee; Dr. Robert A. Millikan, President California Institute of Technology. William S. Paley, President, Columbia Broadcasting System; A. D. Ring, Assistant Chief Engineer, Federal Communications Commission; John Shepard, III, President, Shepard Broadcasting Co.; Dr. Levering Tyson, Director,

National Advisory Council on Radio in Education; Miss Judith C. Waller, Mid-West Educational Director, National Broadcasting Company; Frederick A. Willis, Columbia Broadcasting System; and George F. Zook, President, American Council on Education.

X X X X X X X X X

STATIONS GIVE BALDWIN ATTORNEY POWER IN ASCAP PARLEYS

Daily conferences are being held between James W. Baldwin, Managing Director of the National Association of Broadcasters, and E. C. Mills, General Manager of the American Society of Authors, Composers, and Publishers, in an effort to work out a solution of the copyright muddle before January 1, when present contracts expire.

Unable to solve the enigma, the NAB Board of Directors adjourned early this week and authorized Baldwin to continue negotiations as a one-man committee. The Directors also authorized him to sign renewal contracts for station members providing their consent is obtained.

Many stations were reported to be telegraphing the power of attorney to Baldwin as he continued his negotiations. Broadcasters believe that if he obtains such authority from enough stations he will be able to get a more favorable contract renewal basis from ASCAP than the present 5 per cent of gross plus a sustaining fee.

Baldwin will remain in New York, with headquarters at the St. Regis Hotel, until January 1, or as long as necessary to reach an agreement with ASCAP.

Just what will be done with regard to separate contracts with the publishing houses controlled by Warner Brothers is conjectural. The latter has submitted a tentative proposal for three months' contracts on a basis of 2 per cent of station commercial billings and 40 per cent of the sustaining fee collected by ASCAP during the last quarter of 1935.

In a resolution adopted by the NAB Directors before adjourning stations were advised not to broadcast any musical number after January 1 unless it has either a license to broadcast that number or else "a sufficient guarantee of indemnity from a satisfactory source".

Besides recommending that stations accord Baldwin authority to act for them in further negotiations, the Board looked with favor on the "per-piece" plan of paying for copyrighted music. It recommended that:

"(1) No opportunity should be overlooked to work out a per piece or measured service plan which the NAB at its conventions for three years has requested.

"(2) Insistence on any one system, however, should not be carried to the point where it endangers the ability of stations to broadcast acceptable music on and after Jan. 1, 1936."

Meanwhile, the copyright confusion was further muddled from another source as the Attorney General of the State of Washington filed through former Senator C C. Dill a notice of registration of all ASCAP copyrighted music with the U. S. Registrar of Copyrights in the National Capital. This action, the significance of which is still problematical, followed a victory of the State of Washington in its judicial scrap with ASCAP in the refusal of the U. S. District Court to take a hand in the case.

Washington State officials and broadcasters predicted that the ASCAP case is consequently confined to the State courts, where vigorous prosecution is promised. Some months ago a receiver was appointed for ASCAP, which had been held illegal under the State constitution. ASCAP counsel plan to appeal the case to the Circuit Court of Appeals. If necessary, according to Nathan Burkan's office, ASCAP will contest the Washington action as far as the United States Supreme Court.

X X X X X X X X X X

PRESIDENTIAL YEAR SEEN BENEFICIAL TO RADIO INDUSTRY

"The radio industry faces the New Year in a most fortunate position", says Leslie F. Muter, President of the Radio Manufacturers' Association. "Public interest has been greatly increased by the new all-wave sets and the excellent broadcasting which have resulted in the largest year in our history, with an increase far greater than that of general business. Presidential years have always been very beneficial in the past and with political interest more extensive than ever before, 1936 will undoubtedly assist us to greater heights of progress and service."

X X X X X X X X X X

PAYNE ASSAILS SHORT-WAVE BROADCASTS TO LATIN AMERICAS

Federal Government officials are concerned over the "fact" that American short-wave broadcasts are "riling" the people of South American republics because of the character of their advertising and an over-emphasis of commercialism, Commissioner George Henry Payne asserted this week in an address at the University of Syracuse.

"Fortunately", said Commissioner Payne, "this disagreeable situation is about to be cleared up by the Government itself utilizing the five channels which were placed at its disposal at the conference held at Montevideo in 1932.

"The people of South America do not believe that our 'faulty elimination' and 'cure-all blackheads' programs are representative of our culture or intelligence, and even if they are, they don't like them. I am sure that any reasonable-minded person will admit that while we may not be unwilling to have blatant and objectionable stuff pumped into our own home over the radio, we haven't the right to inflict the same stuff on the people in the homes of a friendly and unoffending foreign nation.

"With the tremendous increase in all-wave receiving sets has come a corresponding increase in the interest of the ordinary broadcast listener in programs emanating by short-waves from far-off lands. It is estimated that of approximately twenty million receiving sets in this country today, at least two million are now equipped to receive long distance short-wave programs directly, and that number is increasing by leaps and bounds. Unfortunately, while the saturation limit for receiving sets is a long way off in the future, and is largely dependent upon the purchasing power of the receiving public, this is not the case for transmitting stations, and indeed the saturation limit for transmitters has been reached in the bands made available for short-wave broadcasting service.

"Is it not a matter of pride for Americans to see that programs which are addressed to international audiences in other countries are of the very highest type, and particularly that they are free of the type of objectionable advertising to which American listeners, through long suffering, are becoming inured? Of the total number of short-wave broadcasting stations in the United States 75% are affiliated with the major chains and are carrying the regular chain broadcasting programs to foreign lands together with all of its advertising. Is it not time to provide a new type of program for distribution to foreign countries which will reflect the high standards of American ideals and good taste?

"Inasmuch as I have, at various times, seemed to be a sharp critic of commercial broadcasters, I believe it is only fair that I should say, what I have said before, that they deserve great credit for some of their programs. I am personally deeply

grateful always for the two hours on Sunday of the New York Philharmonic, and other philharmonic societies elsewhere are building up respect for radio, while at the same time they are intensifying the feeling that what can be of such noble use should not be debased by a mercenary spirit and frequently vulgar high pressure salesmanship. As I said at Columbia University, I do not think this country is in favor of such a system as that in Great Britain and other countries where no advertising is permitted and where the radio is either government-owned or government-administered or dominated.

"What the people want, I believe, and I am very glad to say that in my talks with some of the important top figures in the radio industry they are inclined to consider most favorably, is some standard applied to the advertising. Surely nobody could but praise the good taste with which the Ford Motor Company puts on its programs, or the Philco, or as one educator wrote me from California, with which the Standard Oil furnishes the symphony concerts to the people on the West coast."

X X X X X X X X X

NEW SALT LAKE CITY RADIO STATION IS RECOMMENDED

A construction permit to authorize establishment of a new 100-watt radio station in Salt Lake City, Utah, by Paul R. Heitmeyer, for operation on 1210 kc. with unlimited time was recommended this week to the Federal Communications Commission by Examiner P. W. Seward.

Salt Lake City has KSL, a 50 kw. station and KDYL, a 1 kw. station, but the Examiner held that there was a need for a purely local broadcasting outlet.

An increase in daytime power from 2½ kw to 5 k3 on 1320 kc., unlimited time was recommended by Examiner Melvin H. Dalberg.

X X X X X X X X

B.B.C. CHIEF ENGINEER TO TALK

There will be an address from overseas by the Chief Engineer of the British Broadcasting Corporation at 10 P.M.,EST Wednesday, January 8th.

The talk will come from London via short-wave over GSD, 25.5 m. (11,750 kc.), or GSC, 31.3 m. (9,580 kc.), or GSL, 49.1 m. (6,110 kc.).

X X X X X X X X

RMA DIRECTORS WILL MEET IN CHICAGO ON JANUARY 29

Radio industry promotion plans for 1936 will be considered by the RMA Board of Directors at a meeting scheduled by President Leslie F. Muter for January 29 at the Stevens Hotel in Chicago. This will be the first meeting in 1936 of the RMA governing board and on the same date Chairman Arthur T. Murray of the Set Division will hold a meeting of the set directors.

Several cooperative measures with the National Association of Broadcasters and other affiliated organizations are being promoted, including the plan for a Radio Foundation to make industry awards for outstanding achievements in 1936.

X X X X X X X X X X

ELDER MICHAUX SAYS BUTCHER'S APPOINTMENT HAS DIVINE FAVOR

The recent appointment of Harry C. Butcher, of Washington, and WJSV, as Seventh Vice-President of the Columbia Broadcasting System has met with divine favor, according to Elder Lightfoot Solomon Michaux, famed colored pastor of the "Radio Church of God".

"God completes all of his work and puts his approval upon it in cycles of '7'", Elder Michaux said, "making '7' God's perfect number.

"If you'll notice in Genesis 2nd Chapter, first and second verses, that God created the heaven and earth in six days and on the seventh day He rested. And you'll also notice that in establishing His church in the earth, it was manifested by Jesus Christ by appearing in the midst of seven golden candle sticks, and holding in His right hand, seven stars, to show that the work of His church was complete in the resurrection of Jesus Christ from the dead. You'll find this in Revelations 1st chapter, 18th to 20th verses.

"You'll also notice that the book of God which held the plan of man's salvation and damnation was sealed by Him with seven seals. You'll find this in Revelations 5th chapter, 1st verse. You'll also notice that in winding up all things, the Scriptures teach that God will announce the end with seven Angels, which calls the world a great Harlot, Babylon, which means confusion. You'll find this in Revelations 17th chapter, 1st to 5th verses. I've quoted all these passages that you might see that God's work is completed in '7'".

X X X X X X X X X X

INDUSTRY NOTES

The Telegraph Division of the Federal Communications Commission in answer to numerous inquiries, has announced that the 1935 uniform system of accounts will remain in effect as to all telephone companies until the Commission is advised of the disposition of the case of the American Telephone & Telegraph Co. et al vs. the U. S. and the FCC.

A brief radio market report on Liberia has been issued by the Electrical Division of the U. S. Bureau of Foreign and Domestic Commerce and may be purchased at 25 cents a copy.

The Hearst and Scripps-Howard newspaper chains are preparing to make their syndicate features available for radio use, according to Variety. King Features, the Hearst unit, has established a radio department under the direction of J. V. Connolly, who is aided by Fred Smith, once director of WLW and later connected with "The March of Time". United Features, the Scripps-Howard subsidiary, is preparing scripts for sale to agencies under direction of Jean Grombach.

The Federal Communications this week in general session extended the effective date of the Broadcast Division's order of October 1 in the so-called Brooklyn cases, pending consideration of the petition of WVFW for a rehearing.

The British Broadcasting Corporation reports that its recorded programs of the more important original broadcasts have been heard via short-wave by listeners in Australia, New Zealand, Africa, India, Ceylon, Hong Kong, Shanghai, Southern Rhodesia, and Malaya.

Colgate-Palmolive-Peet Co. early in January will inaugurate three radio features on CBS. For Palmolive shaving cream, never before advertised on a radio network, Colgate will present a weekly series on the nation's peace officers by Phillips Lord; for Palmolive soap, the "Beauty Box Theatre" will be extended to a coast-to-coast network; and for Super-Suds, Colgate will offer a new series of human interest dramas by Gertrude Berg.

X X X X X X X X X

ROPER MAY TAKE OVER NRA FUNCTIONS SOON

Because of the radio industry's refusal to participate in the recent business conferences, called by Maj. George Berry, the following comment by Raymond Clapper, political columnist on the Washington Post, should be of interest:

"Discussions are going on which look to putting the old NRA out of sight and tucking it away safely under the arm of Secretary of Commerce Roper before Congress comes back.

"Specifically, Ernest G. Draper, Assistant Secretary of Commerce, a business man of broad experience (Dromedary dates most recently), would be made custodian of the remnants.

"Specifically, also, a silencer would be put on Maj. George Berry so there would be no more scenes like the one which broke up his recent industrial conference. That show, which ended in a riot, rubbed both business and important Administration quarters the wrong way. It interfered with the breathing spell. In certain Administration quarters it is desired to get everything quieted down before Congress starts a clamor."

X X X X X X X X X X

TWO STATIONS AGREE TO ABIDE BY FTC STIPULATIONS

Two broadcasting stations have agreed to abide by stipulations with the Federal Trade Commission in cases involving advertisers.

Western Broadcast Co., operator of Station KNX, Hollywood, Calif., has entered into stipulations with the FTC to abide by action taken in five cases involving advertising. The five companies which had previously entered into stipulations with the Commission to cease and desist from certain unfair advertising practices, are: Nourishine Manufacturing Co., Los Angeles; Germania Tea Co., Minneapolis; Old Mission Tablet Co., Pasadena, Calif.; King's Better Vision Institute, Los Angeles, and Tablet Sixty-Six Co., Los Angeles. In its stipulations with the Commission, the station admits broadcasting advertisements of these companies.

Truth Publishing Co., Inc., operator of Station WTRC, Elkhart, Ind., admitted broadcasting advertisements for Deuel's, of Centerville, Mich., distributor of an ointment, and agreed to abide by a stipulation previously entered into by the advertiser with the FTC.

X X X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

INDEX TO ISSUE OF DECEMBER 27, 1935.

889?

December 27, 1935

LOHR NEW NBC HEAD IS SEASON'S BIG SURPRISE

Although it had been rumored that M. H. Aylesworth would be superceded as president of the National Broadcasting Company, and several names had even been mentioned as to who might be his successor, among them Richard Patterson, vice-president, the choice of Lenox Riley Lohr, general manager of Chicago's Century of Progress Exposition, as NBC president came as a complete surprise in Washington. This apparently included officials of the Federal Communications Commission who are usually in the "know" regarding contemplated changes.

Mr. Lohr is no stranger to Washingtonians because he was born here but most of the people in the radio industry never heard of him. He has had no radio experience.

Considerable significance was likewise attached to the appointment of Joseph P. Kennedy, former Chairman of the Securities and Exchange Commission to make a study of the problems relating to the Radio Corporation's capital structure.

With regard to Mr. Aylesworth an official statement issued by David Sarnoff said:

"The National Broadcasting Company, at its regular meeting of Directors held today, accepted with regret the resignation tendered by Merlin H. Aylesworth, as President. He asked to be relieved from the responsibilities of this office because of the increased duties he has assumed as Chairman of the Board of the Radio-Keith-Orpheum.

Mr. Aylesworth remains as a member of the Board of the NBC, and in order that the Company may continue to have the benefit of his long experience and advice in the field of broadcasting, he has been elected to the newly created office of Vice-Chairman of the Board of the NBC."

Mr. Lohr was graduated in 1916 with honors from Cornell University with a degree in Mechanical and Electrical Engineering and later attended Claire College at Cambridge University, England. He is forty-four years old. In 1924, he married Florence Josephine Wimsatt (M.A., M.D.) of Washington, D. C. They have three daughters and two sons.

Mr. Lohr is a life member of the National Highway Association, a member of the American Society of Civil Engineers, the Washington Academy of Science, Sigma Phi Sigma, Scabbard and Blade, National Press Club and Cherry Circle Duck Club.

X X X X X X X X

RELIEF WORKERS TO WRITE SCRIPTS, PERFORM OVER RADIO

Just as the newly-formed Radio-Education Committee undertakes the task of studying the place of education in broadcasting, the U. S. Office of Education will be experimenting with a new kind of educational program.

Federal relief workers, enrolled with the Works Progress Administration and the Civilian Conservation Corps, will be engaged to write scripts and then perform in dramatic skits to be placed on one or more networks, and probably over independent stations via of transcriptions, as a new educational feature.

The new program is made possible through a grant of $75,000 of work-relief funds to the Office of Education.

Four or five series of programs may be developed, according to William D. Boutwell, editor of the office's magazine, School Life, who will have charge of the broadcasts. The project will extend over from six to eight months.

"We have been besieged with requests from unemployed persons who are eager to better themselves by taking vocational education", Boutwell said.

"Inadequate personnel has handicapped us in the past. But with the $75,000 grant we hope to be able to direct these unemployed adults to sources of vocational education."

Details of the programs have not been worked out as yet, but Boutwell said that "all the arts employed by commercial radio will be utilized if necessary."

Entertainers, as well as script writers, are available to the Office of Education among the hordes of unemployed on Federal relief rolls.

The major networks have offered their facilities to the office free of charge, and independent stations are expected to use whatever transcriptions may be produced on the same basis.

The Office of Education now presents a weekly program, "Education in the News", every Monday night at 7:30 o'clock, EST, over the NBC network. It also participates in the "Farm and Home Hour" over NBC at 12:30 p. m. on the first Monday of each month.

The new program, however, will be the most ambitious yet undertaken by the Federal government in the field of education by radio. It is believed that, should it prove successful, the policy will be to extend the activity on a permanent basis.

The Office of Education is also taking the lead in the Radio-Education Committee named by the Federal Communication Commission. Dr. John W. Studebaker, U. S. Commissioner of Education, is Chairman of the committee.

A conference of some of the leaders of the 40-man group will be called early in January, and a general meeting will be scheduled before the end of the month.

An agenda of proposals for solving the problem of providing educational institutions and non-profit organizations with adequate time on the air without disturbing the commercial set-up will be drafted at the preliminary parley for discussion at the full committee meeting.

X X X X X X X X

NAVY RUNS DOWN "SHADOW"; THE DOCTORS WERE TO BLAME

The Navy Department may not have the reputation of the Justice Department's Bureau of Investigation for getting its man, but it has run down the mysterious "shadow" which has disturbed short-wave reception recently.

Right on the heels of a statement by William A. Winterbottom, vice president of RCA Communications, Inc., that radio was confronted with a "mystery drama" in the unpredictable raids into marine, transoceanic, aircraft, military, naval, and amateur radio signals by the "shadow", the Navy Department announced that the high frequency vacum tube machines of the medical profession are to blame.

The mysterious signals had been reported from all parts of the United States, particularly from short-wave listeners, Honolulu, Nova Scotia, Puerto Rico, and the Canal Zone.

They were heard chiefly on frequencies of 11,000 to 20,000 kilocycles between 8 a. m. and 8 p. m.

The Navy, enlisting hundreds of its reservists over the country, made many observations during the last few weeks and then collected and analyzed the reports.

The information has now been turned over to the Federal Communications Commission with the request that steps be taken to eliminate the interference.

X X X X X X X X

PUBLIC TELEVISION IN ENGLAND TO BEGIN IN MAY

Public broadcasting of television in Great Britain will probably be inaugurated next May, according to advices to the U. S. Commerce Department from its London office. The two companies which are to broadcast television for the British Broadcasting Corporation side by side at the Alexandra Palace, the report states, are busy with the construction of their equipment. The general public is showing a marked degree of indifference, a condition due probably to the policy of silence on the part of the British press.

It has been tentatively decided to broadcast television three hours a day at first, with each of the two systems on alternate weeks. The daily three hour transmission will be divided into three periods of one hour each, and each hourly period into not less than four separate programs. It is probable that "sponsored" programs will be used to take care of part of the program. This does not mean that the BBC will sell the time on the air, but that commercial firms will pay for the programs and the listener will be told that such and such a program is being sponsored by the firm in question.

Few, if any, plans have actually been formulated for the use of television outside the amusement field. Sets will be too costly at first and broadcasts from this first station cannot be received much beyond 25 miles from the Alexandra Palace.

It is estimated that the cost of the television service for the year ended December 1936 will be approximately £180,000, a total which includes the actual construction of the station, all running and maintenance costs, and, most important of all, program costs.

X X X X X X X X

RCA-RAYTHEON CASE MUST BE TRIED IN COURT OF LAW

The United States Supreme Court on December 23, in a unanimous opinion by Justice Cardozo, affirmed a ruling of the First Circuit Court of Appeals which ordered the $15,000,000 damage suit of the Raytheon Mfg. Co., of Massachusetts, against the Radio Corporation of America, tried in a court of law, i.e. before judge and jury, instead of a court of equity.

The Raytheon company brought the suit in 1931 in the Massachusetts Federal District Court, alleging that RCA had violated anti-trust laws and destroyed its business by a patent monopoly. RCA produced a purported agreement, which it said blocked the suit, but

Raytheon insisted that this was obtained under "economic duress".

The Federal District Court held that the agreement released RCA from a damage suit. The Circuit Court of Appeals reversed this decision, and RCA appealed to the Supreme Court.

Effect of the Supreme Court ruling, according to Washington counsel of RCA, will place the suit back in the court of law of the Federal District Court.

X X X X X X X X

NO ISSUE DECEMBER 31

Because of the fact that government departments will be closed for the holiday there will be no issue December 31.

A Happy New Year to all!

R. D. H.

X X X X X X X X

FCC CURBS POWER OF ATTORNEYS IN CITING BROADCASTERS

Because of complaints from broadcasters, the Broadcast Division of the Federal Communications Commission has removed from its legal department the power to cite stations for violations of FCC regulations of advertising. The three commissioners henceforth will pass upon all complaints before a station may be cited for violation.

The lawyers are understood to have been reproved for their activities in certain cases which brought forth charges of discrimination against one or more stations.

X X X X X X X X

COPYRIGHT PUZZLE STILL UNSOLVED AS DEADLINE NEARS

Negotiations for new contracts between broadcasters and the American Society of Composers, Authors, and Publishers were still under way in New York as the expiration date of present contracts, December 31, neared. James W. Baldwin, managing director of the NAB and E. C. Mills, general manager of ASCAP, are the principal negotiators.

The two major networks, CBS and NBC, and nearly 100 independent stations meanwhile were reported to be deleting from their music libraries hundreds of songs that are controlled by the four publishing houses owned by Warner Brothers, now estranged from ASCAP.

NBC and CBS have sent letters to their advertisers explaining the copyright situation brought about by the withdrawal of the Warner Brothers houses on the ground they were not getting sufficient revenue from radio.

Warner Brothers was reported to be sending out forms of separate contracts it will offer broadcasters and a tabulation of the 36,000 compositions it controls. This new contract is said to carry a 2 per cent fee on all commercial programs and 40 per cent of the sustaining figure paid ASCAP. Stations charging $50 or less an hour for their time would be allowed to make a deal for payment of a flat annual sum. Contracts would be for three months' periods.

Among other copyright developments that confused the situation was the dropping of the Justice Department's anti-trust suit against ASCAP from the calendar of the New York U. S. District Court. Justice Department officials said that the withdrawal from the docket does not necessarily mean the suit has been dropped.

Baldwin was reported to have several hundred powers of attorney from independent stations to strengthen his hand in making a new deal with ASCAP or Warner Brothers.

Warner Brothers issued a statement explaining the dismissal of about 50 persons from the music publishing firms which it controls on January 1.

The reduction, the statement explained, was due to (1) the inauguration of a new system of publishing and selling music and (2) the loss of income heretofore received from membership in the ASCAP.

X X X X X X X X

NO POLITICS IN FCC AWARDS, SAYS JUSTICE DEPARTMENT

Anning S. Prall, chairman of the Federal Communications Commission, on December 26, proudly announced that an unheralded investigation by the Justice Department had shown there is no evidence to support reports that politics plays a hand in the granting of broadcasting facilities.

Prall explained that he had requested the investigation after over-hearing a conversation in a hotel lobby that intimated that political influence was being exerted successfully on the FCC.

"I am absolutely convinced there was nothing to it at all and so is the Department of Justice", he said.

X X X X X X X X

TWO NEW 100-WATT STATIONS APPROVED BY EXAMINER

Construction permits for two new 100-watt stations were recommended this week by examiners in reports to the Federal Communications Commission. The applications were:

Herbert Lee Blye, Lima, Ohio, for CP on 1210 kc., 100 watts, daytime.

W. A. Patterson, Chattanooga, Tenn., 1420 kc., 100 watts, daytime. Granting of this mermit was made conditional by the examiner upon the denial of an application by Dudley J. Connolly and Co. for a CP to operate on 1200 kc., 100 watts power, daytime, in Chattanooga.

Renewal of the license of WEDC, Chicago, and denial of an application by Ralph Perez Perry, Santurce, Puerto Rico, for a permit to operate on 1340 kc., 250 watts power, unlimited time, were also recommended to the commission.

X X X X X X X X

WJAY-WHK HEARING MAY PRODUCE FCC POLICY ON MERGERS

With members of the Federal Communications Commission divided on the issue of independent versus multiple ownership of broadcasting stations, a hearing scheduled for sometime in February on the application of the Cleveland Plain Dealer for authority to control WJAY and WHK is expected to produce a definite policy.

The Cleveland Plain Dealer wants to transfer control of the two stations to its holding company, the U-B Company, Inc The news paper owns controlling interest in the Radio Air Service Corporation, operator of WHK, but control of WJAY is in the hands of the Cleveland Radio Broadcasting Co., independent of the Plain Dealer.

X X X X X X X X

RADIO WAVES USED IN NEW BURGLAR DETECTOR

A foolproof burglar detector which enmeshes an intruder in a network of radio waves from which he cannot move without giving an alarm has been designed by Thomas S. McCaleb, instructor in the Institute of Geographical Exploration of Harvard University, according to the New York Times.

Further development may make the device useful as a very sensitive detector of aircraft, McCaleb says.

The instrument is so sensitive that once a burglar has entered a protected room every move he makes is registered. Thus the new device is an improvement over certain types of alarm systems operated by photoelectric rays, which the intruder may evade if he is aware of their presence.

The apparatus consists of an ultra-short wave transmitter and receiver placed on opposite sides of a room. The transmitter sends out a high frequency signal of seven-tenths meter wave length. The radio waves, before reaching the receiver, are reflected back and forth by the walls of the room and the paths of the millions of waves fill up most of the room's atmosphere.

X X X X X X X X

EDUCATIONAL PROGRAM WINS SHOWMANSHIP COMMENDATION

While educational broadcasters are repeatedly criticized for lack of showmanship in their programs, at least one educational station is holding its own with commercial competition.

The station is WOI, operated by the Iowa State College at Ames, and, according to Chief Announcer A. G. Woolfries, it has "an educational program which has proven capable of meeting commercial competition to the extent that a nearby chain outlet posted a reward of $50 to any one of its staff who could suggest a program capable of competing with it."

"This program," he continued, "called 'The Music Shop' has a widespread appeal. Dr. Charles Mayo, one of the famous Mayo Brothers, has mentioned it twice in newspaper stories and has entertained as his houseguest the director of the program. On the other hand, many letters are received from people poor in worldly goods and formal education. Patients in at least five sanitariums are regular listeners. A number of schools use the program each morning as their opening exercises.

"The 'Music Shop', like Topsy, 'just growed'. It began when a laboratory model of the first electrical pickup was secured from the laboratories of the General Electric Company. To the best of our knowledge, it was the first regular program of recordings to be broadcast. At first it consisted of a haphazard selection of records played without rhyme or reason. A few letters were received, among them one requesting a tune for a child's birthday party. The selection was played. The next day there were a dozen miscellaneous requests. They were played. Then came the deluge. Altho requests for dedications were limited strictly to observances of birthday and wedding anniversaries, there were, within five months, more than a thousand requests each day. By dint of much talking and little play-

ing it was possible to read twenty names for each of twenty records. No continuity was attainable and the program soon degenerated into a conglomeration of mountain music and marches.

"Then came the day when all requests were piled into the wastebaskets and it was announced that, as an experiment, there would be no dedications on that morning's program, which consisted of light classics with a dash of Sousa and Victor Her bert. The enthusiastic response started the 'Music Shop' on the course it has held steadfastly for nine years.

"Slowly the level of the program has been raised until, today, an audience, composed for the most part of rural and small-town listeners, is eagerly assimilating the greatest classics and is writing in for more. This demand has resulted in another musical program, the 'Masterwork' period, thirty to forty-five minutes in length, is devoted to the presentation of entire sonatas, quartets, concertos, and symphonies, recorded by the world's finest artists. Compositions of this type are too extended for inclusion in the faster-moving 'Music Shop'".

X X X X X X X X

FCC SAYS BELL SYSTEM WITHDREW TELETYPWRITER SERVICE

Charges that certain Bell System telephone companies removed teletypwriters from some subscribers while continuing the service to others who paid no more revenue were made in a report released December 23 by the Telegraph Division of the Federal Communications Commission.

The FCC recently denied a request of the American Telephone & Telegraph Company to postpone from January 1, 1936, to January 1, 1937, the imposition of a $30 minimum monthly charge for such service but agreed to a delay until April 1, 1936, to permit filing of new schedules.

"We are not informed as to the basis for removing some instruments and leaving others in the same revenue category, but the possibilities of discrimination are apparent," the report stated.

The FCC report found that the suspended schedules are "unjust, unreasonable, discriminatory and unlawful; and they are therefore cancelled and operation under them is prohibited."

While holding up the proposed guarantee until April 1, the commission allowed the Bell System until February 29, 1936, to file new schedules.

A representative of the A. T. & T. Co. was quoted by the New York Times as explaining that many teletypewriters were installed originally with the understanding that they would be withdrawn from service if the volume of traffic did not warrant their continued use.

Paul Walker, of the FCC, said that hearings in the $750,000 investigation of the operations of the A. T. & T. probably will begin in February. A staff of 215 is engaged in the inquiry, and a total of $250,000 has already been spent by the FCC in preparation for the hearings.

X X X X X X X X

HUBBARD IS KSTP POET-LAUREATE

With telegrams by the Western Union Stanley Hubbard and the staff of KSTP of St. Paul have extended the following New Year Greeting:

"WE DON'T NEED A PAUL WHITEMAN TO PLAY IT;
"WE DON'T NEED A JACK BENNY TO SAY IT;
"WE DON'T NEED A CONTEST TO MOVE IT;
"WE DON'T NEED A THEME TO IMPROVE IT.
"THE COPY IS SHORT, AND WE'RE SURE IT'S THE SORT
"THAT WILL MAKE ANY SPONSOR APPROVE IT:
"IT'S A GREETING THAT'S CORDIAL AND FRIENDLY AND TRUE:
"WE SAY THANKS AND A HAPPY NEW YEAR TO YOU."

X X X X X X X X

SAM INSULL'S RADIO COMEBACK NEWS TO FCC

If Samuel Insull, who is now 76 years old, is to attempt a comeback into the industrial field through the establishment of a radio chain FCC officials haven't been let in on it. It has become known, nevertheless, that several broadcasting stations in and around Chicago have been sounded out by him.

It is understood that Mr. Insull's concern will have a capital of $100,000 to be raised by Mr. Insull's friends, and that there will be no sale of stock to the public. The name chosen, it is said, is the Affiliated Broadcasting Company.

Most of the stations that would be in the new group if the plans mature are in Illinois, Wisconsin, Iowa and Indiana. One of the organizers is Ota Cygi.

Among the stations known to have been approached are WCLS, Joliet, and WWAE, of Hammond. Both are 100 watt plants.

X X X X X X X X

NEWSPAPER-STATION ASSOCIATION ENDS FIRST YEAR

The Twin City (Minneapolis and St. Paul) Association of Newspapers and Radio Stations, believed to be the only organization of its kind in the United States -- if not in the world -- has completed its first year with a record of numerous achievements.

This Association was formed primarily to decide upon advertising agency recognition in the Twin Cities and to make possible the discussion of problems of mutual interest to the members. Included in the Association are the Minneapolis Tribune, Minneapolis Star and Minneapolis Journal, and the St. Paul Pioneer Press & Dispatch and the St. Paul Daily News. Originally all four Twin City stations namely, WCCO, KSTP, WTCN and WDGY, belonged, but the latter dropped out four months ago.

X X X X X X X X

RADIO STILL HAS YOUTHFUL OUTLOOK, SAYS SARNOFF

"The radio industry, emerging last year from a period which has been trying to all business endeavor, proved again that it has still the youthful outlook and vitality that caused it to forge swiftly to the forefront in the momentous decade that followed 1920," says David Sarnoff, president of RCA.

The last twelve months saw the introduction of one of the most revolutionary improvements of recent years in radio - - the all-metal tube. The quickness of the industry in recognizing and embracing definite advances is witnessed by the fact that 48 of the leading radio set manufacturers were using all-metal tubes before the year ended.

"A most significant development for the entire radio industry was the turn toward higher quality merchandise, after an interval in which the price trend of radio receivers has been downward.

"During the year, also, plans were made and announced for taking television from the laboratory for the first comprehensive field test in America. We are planning ahead, bearing the expense of the test of our laboratory achievements so that when television is finally introduced commercially the public shall not be disappointed."

X X X X X X X X

Heinl Radio Business Letter.

July - Dec. 1935.

July - Dec. 1935